

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA,)
)
Plaintiff,)
)
v.) No. 17 CR 00084
)
IVAN REYES AZARTE,) Chicago, Illinois
) November 8, 2018
Defendant.) 9:56 a.m.

TRANSCRIPT OF PROCEEDINGS - Sentencing
BEFORE THE HONORABLE HARRY D. LEINENWEBER

APPEARANCES:

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I N D E XWITNESSDXCXRDXRCX

SERGIO VILLARREAL BARRAGAN

By Ms. Sawyer

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61

By Mr. Lopez

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MATTHEW SANDBERG

By Mr. Su

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By Mr. Lopez

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Government Exhibit

Nos. 1 through 12

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1 (Proceedings heard in open court:)

2 THE CLERK: 17 CR 84, United States versus Azarte.

3 MR. LOPEZ: Judge, the government and I need to
4 discuss just one matter, please.

5 THE COURT: All right.

6 MS. SAWYER: Thank you, your Honor. I apologize.
7 Katherine Sawyer and Devlin Su on behalf of the United States.

8 MR. LOPEZ: Joseph Lopez for the defendant, your
9 Honor.

10 THE COURT: All right. We're here for sentencing?

11 MR. LOPEZ: Yes.

12 THE COURT: All right. I have received a presentence
13 report prepared by Ms. Kwong dated July 19th of this year. I
14 have received her sentencing recommendation. I have received
15 the defendant's objections, presentence investigative report,
16 and position paper. I have received defendant's certificates
17 in support of his position paper and character letters. I
18 believe there were 47 letters in both Spanish and English that
19 were sent to me. And I have received the government's
20 sentencing memorandum.

21 Anything else I should have? This morning, I've been
22 presented with government exhibits, also, and a list of names
23 that may come up. That's about all I have. Is there anything
24 else I should have?

25 MR. LOPEZ: No. I think that's it, Judge, other than

1 the witnesses' testimony.

2 THE COURT: Right. And so, Mr. Lopez, have you read
3 the presentence report?

4 MR. LOPEZ: I have.

5 THE COURT: Have you discussed it with your client?

6 MR. LOPEZ: I have.

7 THE COURT: Mr. -- does he go by Reyes or both names?
8 How does he wish to be addressed?

9 MR. LOPEZ: Reyes Azarte.

10 THE COURT: Reyes Azarte?

11 MR. LOPEZ: Yes, please.

12 THE COURT: All right. Have you read this report?

13 THE DEFENDANT (through the interpreter): Yes.

14 THE COURT: Have you had it translated for you?

15 THE DEFENDANT: Yes, sir.

16 THE COURT: All right. The defendant had -- I think
17 there were two written objections that we need to go through.
18 And that starts on Page 5. The first one -- oh, wait a
19 minute. Excuse me. On Page 4, the government presumes that
20 Reyes Azarte is Ayalla. And as I understand it, he denies it
21 and wishes to have Paragraph 8 -- Paragraph 28 on Page 8
22 removed. Is that correct?

23 MR. LOPEZ: Yes.

24 THE COURT: And plus the three points.

25 MR. LOPEZ: Yes.

1 THE COURT: All right. I think that part -- that
2 will be discussed during the testimony, I guess. Is that
3 correct?

4 MR. LOPEZ: Yes.

5 THE COURT: So, I mean, I will not be in a position
6 to rule on that as of yet. The other objection was -- what
7 did I do with it? Paragraph 37 on Page -- 8, was it? On 9,
8 the nonrelevant conduct regarding Confidential Source 3, and
9 the defendant denies that that is accurate. Is that correct?

10 MR. LOPEZ: Correct.

11 THE COURT: And that will also, I assume, become an
12 issue for later decision.

13 MS. SAWYER: I think that's correct, your Honor.
14 Just to elaborate briefly on both of those, with respect to
15 Paragraph 28 and the specific offense characteristics that
16 both the government has applied and Probation has applied, I
17 think that the Court has bases upon which to apply that
18 enhancement regardless of the finding, regardless of whether
19 or not the Court wants to find that the defendant was Ayalla.
20 I think that there is a factual basis upon which that --

21 THE COURT: I think that's probably accurate based
22 upon the type of -- as I understand the nolo contendere as to
23 the indictment. So anyway --

24 MS. SAWYER: I'm happy to address that in terms of
25 argument. I have some case law.

1 THE COURT: Yes. I think we'll do that later.

2 So but there's no objection to the base offense level
3 of 14; is that correct?

4 MR. LOPEZ: No, Judge.

5 THE COURT: And a two-level role -- let's see.
6 Position of trust, any objection to that?

7 MR. LOPEZ: No, Judge.

8 THE COURT: All right. Then the other issue is, the
9 government is taking the position that there's no acceptance
10 of responsibility; is that correct?

11 MS. SAWYER: That's correct, your Honor.

12 THE COURT: All right. So that issue will be later
13 determined at the conclusion of the case. There's no
14 objection to the criminal history category I; is that right?

15 MR. LOPEZ: No, Judge.

16 MS. SAWYER: No.

17 THE COURT: No points.

18 All right. I think that probably resolves at least
19 as far as we can go as to the -- excuse me. I should say
20 this. Mr. Lopez, is -- other than your two requests for
21 corrections, is the presentence report accurate?

22 MR. LOPEZ: Yes.

23 THE COURT: Is that true, Mr. Reyes Azarte? The
24 factual material other than the two matters raised by your
25 lawyer is accurate; is that correct?

1 THE DEFENDANT: Yes, sir.

2 THE COURT: Is the government satisfied with the
3 report?

4 MS. SAWYER: Yes, your Honor.

5 THE COURT: All right. So we will then proceed. I
6 guess the government wishes to -- let's see -- wishes to
7 present evidence on the issues of sentencing; is that correct?

8 MS. SAWYER: Yes, your Honor.

9 THE COURT: All right. So are you ready to proceed?
10 Do you want to make opening statements, or just call
11 witnesses?

12 MS. SAWYER: Your Honor, I can give the Court a brief
13 background as to who you will be hearing from, but I don't
14 think there's any real need to give more formal statements.

15 THE COURT: All right. You want to just give a
16 brief --

17 MS. SAWYER: Yes, your Honor. The government intends
18 to call two witnesses in order to provide the Court with some
19 background with respect to, first, this defendant's historical
20 connections to the Beltran Leyva organization. This Court
21 will hear testimony to this effect, but just for context and
22 for reference -- and forgive me if you're already familiar
23 with the history of this -- the Sinaloa Federation was a
24 conglomerate cartel within Mexico.

25 For lack of a better term, sometime around 2008,

1 there was a split between El Chapo, Joaquin Guzman Loera, and
2 Arturo Beltran Leyva. This Court is going to hear largely
3 about Arturo Beltran Leyva who was the head of the Beltran
4 Leyva organization, and that is the cartel that the government
5 is alleging Mr. Reyes has a history with.

6 In that context, we intend to call an individual by
7 the name of Sergio Villarreal Barragan.

8 THE COURT: Okay. Let's see. That's -- you're going
9 to call him. Okay.

10 MS. SAWYER: Yes. Mr. Barragan was affiliated
11 originally with the Sinaloa cartel, and then following the
12 split that I described, aligned himself with the Beltran
13 Leyvas and was a fairly high-ranking member of that
14 organization and, generally speaking, responsible for being --
15 again, for lack of a better term -- an intermediary between
16 the cartel and law enforcement and government contacts within
17 the Mexican government in order to sort of facilitate the
18 movement of drugs on behalf of the organization.

19 And as such, he was well positioned within that
20 organization and had vast familiarity with members of various
21 different police forces, military, and politicians in Mexico
22 who were receiving payments from the Beltrons, and it is in
23 that context that he was familiar with Mr. Reyes. And so that
24 testimony will be offered, your Honor, in support of the
25 government's request for an above-guideline sentence.

1 And in the context and under the purview of 3553(a)
2 and in an effort to provide this Court with a fulsome
3 perspective with respect to the history and characteristics of
4 the defendant as a 3553(a) factor, I think in no way is any of
5 it relevant, obviously, to the -- well, go back from that, the
6 second witness. And so essentially, that's what
7 Mr. Villarreal's testimony will relate to.

8 We also intend to call Special Agent Matthew Sandberg
9 who was, for all intents and purposes, the case agent in
10 Mexico City for the underlying narcotics investigation out of
11 which this case arose. He's familiar -- well, he has a
12 longstanding history in the DEA and is familiar with cartel
13 operations. He was in El Paso and did a lot of work in
14 Juarez. He was also in Guatemala and then, obviously, in
15 Mexico City.

16 So he's familiar with historical facts. He's also
17 obviously familiar with the underlying investigation. And so
18 he will testify regarding the underlying narcotics
19 investigation that gave rise to this and some of the evidence
20 that connects Mr. Reyes to the obstruction to which he has now
21 pled guilty.

22 THE COURT: All right. Mr. Lopez, do you wish to
23 make a statement at this time?

24 MR. LOPEZ: Judge, we'd just ask that you listen to
25 Mr. Villarreal -- Mr. Barragan's testimony, the impeachment

1 that will come. It's our position that he's not a reliable
2 witness. He tells three different versions of the same event.
3 We can also listen to what Agent Sandberg has to say in regard
4 to some of the issues that the government has raised.

5 THE COURT: All right. Let's proceed with the
6 witnesses then.

7 MS. SAWYER: So at this time, your Honor, the
8 government would call Sergio Villarreal Barragan.

9 THE COURT: All right. He may come forward.

10 (Pause.)

11 THE COURT: Right up here. Raise your -- does he
12 speak English?

13 THE WITNESS: No, your Honor.

14 THE COURT: Do we have the --

15 THE CLERK: He's right there.

16 THE COURT: Please raise your right hand.

17 (Witness sworn through interpreter.)

18 THE WITNESS: Yes, sir.

19 THE COURT: Please take a seat.

20 Ms. Sawyer, you may question the witness.

21 MS. SAWYER: Thank you, your Honor.

22 SERGIO VILLARREAL BARRAGAN, GOVERNMENT'S WITNESS, SWORN
23 DIRECT EXAMINATION

24 BY MS. SAWYER:

25 Q. Good morning.

1 A. Good morning.

2 Q. May I ask you to state and spell your name for the record,
3 please?

4 THE INTERPRETER: By the interpreter, your Honor:
5 May we get one more piece of equipment, please?

6 THE COURT: Sure.

7 (Pause.)

8 THE COURT: All right. You may proceed.

9 THE WITNESS: Sergio Villarreal Barragan. My name is
10 Sergio Barragan. My fraternal last name is spelled
11 V-i-a-r-e-a-l.

12 BY MS. SAWYER:

13 Q. And Mr. Villarreal, are you known by any nicknames?

14 A. El Grande.

15 Q. And are you currently serving a federal prison sentence
16 here in the United States?

17 A. That is so.

18 Q. And did that sentence arise out of federal crimes with
19 which you were charged in the United States in federal court
20 in Houston?

21 A. That is correct.

22 Q. And more specifically, did those charges arise of your
23 affiliation between approximately 2006 and 2010 with the
24 Sinaloa Federation and later the Beltran Leyva organization?

25 A. That is correct.

1 Q. And you were already in custody in Mexico in September
2 2010 before those charges were filed in the United States; is
3 that right?

4 A. That's correct.

5 Q. And you were extradited to the United States in May 2012?

6 A. That's correct.

7 Q. Once in the United States, did you plead guilty in that
8 case in Houston?

9 A. That's correct.

10 Q. And was that on April 5th, 2013?

11 A. That's correct.

12 Q. All right. And did you plead guilty to one count of
13 conspiracy to distribute a controlled substance for purposes
14 of unlawful importation?

15 A. That's correct.

16 Q. And one count of conspiracy to launder monetary
17 instruments?

18 A. That's correct.

19 Q. Now, Mr. Villarreal, were you originally charged with more
20 crimes than just the two that you pled guilty to?

21 A. That's correct.

22 Q. As part of that guilty plea, did you agree to cooperate
23 with the United States government?

24 A. That's correct.

25 Q. And at the time of that agreement, was your cooperation

1 totally unrelated to this case?

2 A. That's correct.

3 Q. Now, when you pled guilty, was it your understanding that
4 you would receive a benefit based on your cooperation?

5 A. That's correct.

6 Q. And did you, in fact, receive a benefit as a result of
7 your cooperation?

8 A. That's correct.

9 Q. And what was that?

10 A. The reduction of my sentence.

11 Q. And what were you ultimately sentenced to for your
12 offenses?

13 A. To 120 months.

14 Q. And to the best of your knowledge, as of today, is it your
15 understanding that depending on how the Bureau of Prisons
16 credits you for the time that you were incarcerated in Mexico
17 that you could be released any time between May 2019 and May
18 2021?

19 A. That's correct.

20 Q. And is that regardless of your testimony in this case?

21 A. That's correct.

22 Q. Now, as part of your cooperation, did you provide
23 information to prosecutors and agents about your knowledge of
24 narcotics trafficking in Mexico and the United States?

25 A. That's correct.

1 Q. And did you also provide information about corruption
2 within the Mexican government and law enforcement?

3 A. That's correct.

4 Q. Now, at some point around January 2019 -- I'm sorry,
5 January 19, 2017, did you meet with me and other prosecutors
6 and agents to talk about an individual who you knew as La
7 Reina?

8 A. That's correct.

9 Q. And at that time, were any promises made to you about any
10 benefit you might receive for the information that you were
11 providing?

12 A. No, none.

13 Q. And during that meeting, did agents show you a series of
14 10 to 12 photographs?

15 A. That's correct.

16 Q. Now, there's a --

17 MS. SAWYER: May I approach, your Honor?

18 THE COURT: By the way, nobody needs to ask
19 permission to approach. Just approach.

20 MS. SAWYER: Thank you.

21 BY MS. SAWYER:

22 Q. There's a binder in front of you, Mr. Villarreal, but I'm
23 going to hand you a copy of Government Exhibit No. 1. Do you
24 recognize that?

25 A. That's correct.

1 Q. And what is that?

2 A. La Reina.

3 Q. And is that the photograph that you were shown in January
4 of 2017?

5 A. Correct.

6 Q. And are your initials, in fact, noted at the bottom of
7 that page?

8 A. That's correct.

9 Q. Okay. And specifically, with reference to your testimony
10 today, have I or anyone else promised you any benefit for your
11 testimony today?

12 A. No, none.

13 Q. All right. And indeed, as you sit here today, do you have
14 any idea whether your testimony in this case will change the
15 sentence that's already been imposed?

16 A. I didn't understand. I'm sorry.

17 Q. Do you have any idea whether your testimony today will in
18 any way change the sentence that has already been imposed?

19 A. No, I have no idea.

20 Q. And I'd like to ask you a few questions about your
21 background. Prior to becoming involved in narcotics
22 trafficking, what did you do for a living?

23 A. I worked for the judicial police for the State of Coahuila
24 and later as a federal judicial policeman in the City of
25 Mexico.

1 Q. Okay. And was it approximately 1993 to 1997 that you
2 worked as a federal police officer?

3 A. That is correct.

4 Q. And did your work as a federal police officer bring you
5 into contact with narco traffickers?

6 A. That is correct.

7 Q. And at some point while employed as a federal police
8 officer, did you begin working with one trafficker in
9 particular?

10 A. That's correct.

11 Q. Who was that?

12 A. Amado Carrillo Fuentes.

13 Q. Was he affiliated with a cartel in particular?

14 A. He was the leader of the Juarez cartel.

15 Q. And through your relationship with Amado Carrillo Fuentes,
16 did you come to meet someone named Arturo Beltran Leyva?

17 A. That's correct.

18 Q. And who was Arturo Beltran Leyva at that time?

19 A. He was in charge for Amado Carrillo Fuentes in the city of
20 Agua Prieta, Sonora.

21 Q. And at that time, he was affiliated with the Juarez
22 cartel?

23 A. That's correct.

24 Q. Now, at some point around approximately 1997, did you
25 leave the police force?

1 A. That's correct.

2 Q. And where did you go?

3 A. To Nuevo Laredo, Tamaulipas.

4 Q. And during that time, did you maintain your relationship
5 with Arturo Beltran Leyva?

6 A. Telephonic contact.

7 Q. Now, sometime four to five years later, around 2001 or
8 2002, did you return and begin working directly for Arturo
9 Beltran Leyva?

10 A. That's correct.

11 Q. And at that time when you returned and began again working
12 for him, what cartel was Arturo Beltran Leyva affiliated with?

13 A. To The Federation.

14 Q. Okay. And what is The Federation? What was The
15 Federation?

16 A. It was a group of narcotics traffickers, all of them, all
17 of them in general from Sinaloa and some from Jalisco.

18 Q. And at the time that you went to work for Arturo Beltran
19 Leyva, who were the other leaders of the Sinaloa Federation?

20 A. Joaquin el Chapo Guzman; Ismael Zambada Garcia; El Azul,
21 Esparragoza Moreno; Arturo Beltran Leyva; Hector Beltran
22 Leyva; Alfredo Beltran Leyva; Nacho Coronel; the
23 Valencia brothers; and some others from Jalisco.

24 Q. And just very briefly, could you explain what happened in
25 approximately 2008 to the relationship between El Chapo and

1 Arturo Beltran Leyva?

2 A. Their relationships between them fell apart because El
3 Chapo Guzman betrayed Arturo.

4 Q. And did that conflict result in essentially the formation
5 of two separate groups: The Beltran Leyva organization on one
6 hand and the Sinaloa Federation on the other?

7 A. That's correct.

8 Q. And was -- would it be fair to say that the relationship
9 between those two groups was violent?

10 A. That's correct.

11 Q. And who was in charge at that time of the Sinaloa
12 Federation?

13 A. Could you repeat the question, please?

14 Q. Who was in charge at that time of the Sinaloa Federation?

15 A. El Chapo Guzman on the one hand; on the other hand, Arturo
16 Beltran.

17 Q. Okay. And just to clarify, are you saying that El Chapo
18 Guzman was in charge of the Sinaloa Federation and Arturo
19 Beltran Leyva was in charge of his Beltran Leyva organization?

20 A. That's correct.

21 Q. And following that split, who of those two did you align
22 yourself with?

23 A. With Arturo Beltran.

24 Q. And could you please describe your relationship with
25 Beltran Leyva and your role within his organization?

1 A. A very close relationship. We were God siblings or God
2 brothers --

3 THE INTERPRETER: Re-rendering.

4 THE WITNESS: -- and we were very good friends.

5 BY MS. SAWYER:

6 Q. Did there come a time that you actually lived with Arturo
7 Beltran Leyva?

8 A. I didn't hear you. I'm sorry.

9 Q. Did there come a time that you actually lived with Arturo
10 Beltran Leyva?

11 A. All the time normally.

12 Q. And specifically within his organization, what was your
13 role?

14 A. I worked for Arturo Beltran. The majority of my work
15 consisted of the corruption of the American -- of the
16 Mexican -- of the Mexican government. I opened up routes for
17 narcotics trafficking on the Mexican roads and strategies to
18 weaken rival cartels by means of the government.

19 Q. Okay. What do you mean by that? How would by -- how
20 would you weaken rival cartels by means of the government?

21 A. Providing information to the federal government normally
22 so that the government could do its work and capture rivals
23 from other cartels.

24 Q. And would that then obviously in turn aid the Beltran
25 Leyva organization?

1 A. To grow.

2 Q. All right. Now, you've referenced that -- you said that
3 part of your job was to help open routes of narco trafficking.
4 How does corruption within law enforcement aid in opening
5 routes of narco trafficking?

6 A. By means of corruption, we would insert policemen and
7 military people into the cities, on the roadways at the
8 inspection points so that drugs would not have trouble on
9 their route as they traveled through Mexico.

10 Q. Okay. And over the course of the time that you were
11 working for Arturo Beltran Leyva, approximately what kinds of
12 quantities was the organization trafficking?

13 A. Many, many tons of cocaine.

14 Q. And when you say "many tons of cocaine," were there
15 occasions where one shipment would contain tons of cocaine?

16 A. In no shipment would there be normally less than five
17 tons.

18 Q. Okay. And based on your knowledge of the operation of the
19 organization, were significant portions of that cocaine
20 transported to the United States?

21 A. That's correct.

22 Q. Now, in the context of your role as an intermediary
23 between the Beltran Leyva organization and Mexican law
24 enforcement, did you personally -- were you personally present
25 for meetings between Arturo Beltran Leyva and law enforcement

1 officials?

2 A. That's correct, many times.

3 Q. And in that context, did you come to hear members of the
4 Beltran Leyva organization refer to an individual by the code
5 name La Reina?

6 A. That's correct.

7 Q. And who within the Beltran Leyva organization referred to
8 this individual by that nickname?

9 A. Alberto Pineda Villa, Elias El Borrado, and Arturo Beltran
10 Leyva himself.

11 Q. Now, is that the same individual who you've already
12 identified there in Government Exhibit No. 1?

13 A. That's correct.

14 Q. Now, with respect to this individual you just described,
15 Alberto Pineda Villa, what was his role within the Beltran
16 Leyva organization?

17 A. He was in charge of taking receipt of the boats and
18 submarines loaded with cocaine on international waters between
19 the coasts of Chiapas and Guerrero and transport these to the
20 beach in either of the aforementioned states.

21 Q. Now, prior to actually meeting La Reina in person, had you
22 heard members of the Beltran Leyva organization simply refer
23 to that code name?

24 A. That's correct.

25 Q. And based on the discussions that you heard, what was your

1 understanding of who La Reina was?

2 A. A person who worked for the cartel, the Beltran Leyva
3 cartel, who provided a lot of help to the organization.

4 Q. Help in what context?

5 A. With information regarding the cartel itself provided by
6 some authority.

7 Q. Okay. And how was it that he would have that information?

8 A. I pretty much lived with Beltran Leyva the whole time.

9 Q. I'm sorry. I asked that poorly. Not you. Did you --
10 based on your understanding of those conversations, what was
11 La Reina's job?

12 A. He worked as a federal policeman in the Mexican
13 government.

14 Q. Okay. And at some point, did you come to meet La Reina in
15 person?

16 A. That's correct.

17 Q. Could you describe how that happened?

18 A. The first time it happened, when we went to make a payment
19 along with Alberto Pineda Villa el Borrado.

20 Q. Let me ask you this. You said "we." Who went to make a
21 payment?

22 A. Alberto Pineda Villa and I.

23 Q. And what was the payment for?

24 A. For an operation that had been conducted by the federal
25 police and the PGR.

1 Q. Was that operation against a cartel in particular?

2 A. That's correct.

3 Q. What cartel was that?

4 A. La Familia Michoacana.

5 Q. And was that cartel an ally or a rival of the Beltran
6 Leyva organization?

7 A. Rival.

8 Q. Approximately how much was that payment?

9 A. Approximately \$3 million.

10 Q. Okay. Who did you make that payment to?

11 A. To a federal police high official and to La Reina.

12 Q. So the two people present to receive that payment were La
13 Reina and another police officer?

14 A. That's correct.

15 Q. And the other police officer, was he senior or junior to
16 La Reina at the time?

17 A. Superior.

18 Q. And based on your experience working for Arturo Beltran
19 Leyva, was it common for you to pay law enforcement for
20 strikes on rival cartels?

21 A. That's correct.

22 Q. And was it common for Arturo Beltran Leyva to give law
23 enforcement information about those cartels so that they could
24 act on it?

25 A. That's correct.

1 Q. And was the reverse also true, that rival cartels would
2 have their own law enforcement loyal to them who would then
3 provide information about the Beltran Leyva organization?

4 A. That's correct.

5 Q. And for that reason, is it fair to say that Arturo Beltran
6 Leyva had to be very cautious about who he let into his inner
7 circle?

8 MR. LOPEZ: Objection.

9 BY THE WITNESS:

10 A. That's correct.

11 THE COURT: Overruled.

12 BY MS. SAWYER:

13 Q. Was that the only meeting that you participated in that La
14 Reina was present for, or were there more?

15 A. There were more.

16 Q. And is it fair to say you don't recall the specific dates
17 of each of those meetings?

18 A. That's correct, I do not remember the dates.

19 Q. And during any of those meetings, did you ever hear La
20 Reina talk about training that he had received abroad?

21 A. That's correct.

22 Q. Do you recall specifically where he said he had trained?

23 A. That's correct.

24 Q. What -- where did he say he had trained?

25 A. In Virginia.

1 Q. And was there another name that he mentioned?

2 A. That's correct. Quantico.

3 Q. Was there a particular United States agency that La Reina
4 talked about having worked with?

5 A. That's correct.

6 Q. What is that?

7 A. The DEA.

8 Q. Aside from the meetings you were personally present for,
9 do you know whether Arturo Beltran Leyva and Borrado, that is,
10 Alberto Pineda Villa, had direct contact with La Reina?

11 A. That's correct.

12 Q. How do you know that?

13 A. Arturo would tell me about it when I wasn't present.

14 Q. Now, Mr. Villarreal, did there come a time sometime in
15 2007 or 2008 when Arturo became concerned that there might be
16 an informant within his organization?

17 A. That's correct.

18 Q. And what was it that happened that led him to that
19 concern?

20 A. He was suffering a lot of drug losses on a sea route with
21 speedboats loaded with cocaine that were headed to Mexico.

22 Q. Okay. When you say "losses," do you mean seizures or that
23 the drugs were simply lost?

24 A. Seizure of the drugs by governments.

25 Q. And due to those multiple seizures along the same maritime

1 route, what was Arturo Beltran Leyva's concern?

2 A. That two lines had the same route but only one of those
3 had the losses, the seizures, and that somebody was providing
4 information about it.

5 Q. And as a result of that concern, did Arturo convene a
6 meeting to discuss the issue?

7 A. That's correct.

8 Q. Okay. And how did that come about?

9 A. It came about through a meeting with a very high official
10 in the federal police.

11 Q. Okay. And did discussions about this issue take place
12 during one meeting or more than one meeting?

13 A. No, several meetings.

14 Q. Well, let's start with the first one. You mentioned that
15 Arturo met with someone from the federal police. Was it La
16 Reina or someone else?

17 A. It was someone else.

18 Q. All right. And was that person senior to La Reina or
19 junior?

20 A. Senior.

21 Q. Who do you recall being present on behalf of the Beltran
22 Leyva organization in that first meeting?

23 A. "El R," Roberto was there; Arturo Beltran; I was there; La
24 Barbie was there.

25 Q. All right. And what was the purpose of that first

1 meeting?

2 A. To inform the officer of the federal police the problems
3 that the organization was suffering because of those seizures
4 and to ask for himself to investigate that.

5 Q. All right. That federal police representative at the
6 first meeting, what did he -- what did he tell Arturo?

7 A. That he was going to check the information that he was
8 giving him through contact he had at the Mexican Embassy in
9 Colombia and through contacts he had within the same federal
10 police.

11 Q. All right. And was there -- after this meeting, was there
12 a follow-up? You mentioned there were multiple meetings. Did
13 another meeting take place?

14 A. One more.

15 Q. Were you present at that second meeting?

16 A. That's correct.

17 Q. And where did that second meeting take place?

18 A. In a farm called Mi Ranchito located in the state of
19 Morelos in the municipality of Zapata near the city of
20 Cuernavaca, Morelos.

21 Q. Now, the high-ranking officer who was at the first
22 meeting, was he present at the second meeting?

23 A. That's correct.

24 Q. And was he alone, or were there other police officers?

25 A. There were other officers.

1 Q. Approximately how many?

2 A. More than four.

3 Q. All right. At the -- and who was there from the Beltran
4 Leyvas -- well, let me ask a different question.

5 Was there a discussion at the second meeting between
6 Arturo Beltran Leyva and the police officers about what they
7 had learned with respect to an informant?

8 A. They started to tell him what had been happening.

9 Q. Who is "they"?

10 A. Two very high officials in the federal police, La Reina,
11 and another officer.

12 Q. So let me just break that down a little bit. You've
13 now -- so you've described four federal police officers: One
14 who was at the first meeting, a second high-ranking officer,
15 La Reina, and another individual?

16 A. That's correct.

17 Q. And so what happened? What did those people relay to
18 Arturo about the Colombian informant?

19 A. They started to tell Arturo Beltran that in the city of
20 Miami, Florida, the DEA had stopped a person of Colombian
21 origin, had released that person for purposes of providing
22 information regarding drug shipments of Arturo Beltran.

23 Q. And did they provide anything to Arturo Beltran Leyva,
24 anything additional?

25 MR. LOPEZ: Judge, I object to "they."

1 BY THE WITNESS:

2 A. The two high officials, La Reina who was sitting at the
3 table.

4 BY MS. SAWYER:

5 Q. What did they do?

6 A. After narrating everything verbally, they showed him a
7 photograph of the Colombian.

8 Q. And did members of the Beltran Leyva organization
9 recognize that individual?

10 THE COURT: Who is "they"? Mr. Lopez wanted to know,
11 and I do, too. He said that "they." The two high officials,
12 is that who we're talking about?

13 THE WITNESS: Two high officials, La Reina, and the
14 third person -- the fourth person, I don't know that person's
15 name.

16 THE COURT: Okay.

17 BY MS. SAWYER:

18 Q. Can you describe how it happened that a photo was provided
19 to Arturo Beltran Leyva?

20 A. That's correct. La Reina had a cardboard binder. He gave
21 it to his immediate superior who in turn gave it to Arturo
22 Beltran, who Arturo Beltran recognized the photograph that he
23 was being shown.

24 Q. Just to clarify, the two high-ranking officials who you've
25 referred to, would those people have been considered La

1 Reina's boss at the time?

2 A. That's correct, the high, the very high official who had
3 met the first time and the person next in charge.

4 Q. Now, after recognizing the photo of the Colombian
5 individual, what did Arturo Beltran Leyva do? How did he
6 respond?

7 A. He became very angry and ordered that he be kidnapped.

8 Q. That who be kidnapped?

9 A. The Colombian. And interrogated.

10 Q. To your knowledge, did that happen?

11 A. That's correct.

12 Q. And based on your knowledge, did the informant admit
13 cooperating with the DEA?

14 A. That's correct.

15 Q. And what ultimately happened to that Colombian informant?

16 A. He was murdered.

17 Q. And were you present when Arturo gave the order for the
18 informant to be murdered?

19 A. That's correct.

20 MS. SAWYER: All right.

21 (Pause.)

22 BY MS. SAWYER:

23 Q. Now, Mr. Villarreal, prior to January 2017, do you recall
24 that you had already provided information about this
25 particular meeting to investigators other than myself and the

1 other prosecutor in this case?

2 A. That's correct.

3 Q. And did you talk about this meeting on more than one
4 occasion?

5 A. That's correct.

6 Q. In approximately 2014 and 2015?

7 A. That's correct.

8 Q. Okay. And on those occasions, you did tell investigators
9 that you had met with La Reina to make payments for the
10 Beltran Leyva organization, correct?

11 A. That's correct.

12 Q. But you did not mention La Reina being present at this
13 particular meeting involving the Colombian informant; is that
14 right?

15 A. That's correct.

16 Q. And why was that? Why didn't you mention back in 2014 and
17 '15 that La Reina was at this particular meeting?

18 A. Because that day, the people that they were asking me
19 about were the very high-ranking officials of the federal
20 police that -- to whom I had referred to in what I said.

21 Q. And at the time of the meeting about the informant, how
22 did those people rank in relation to La Reina?

23 A. Very, very high-ranking officials in the office of the
24 secretary for federal public safety.

25 Q. And when you spoke with me and the other prosecutor and

1 the agents in January 2017, of all the interviews you've
2 given, was that the first time anyone came to specifically ask
3 you about La Reina?

4 A. That's correct.

5 Q. And as you sit here today, is it your recollection that La
6 Reina was present and participated with others in providing
7 information to the Beltrans about the Colombian informant?

8 A. That's correct.

9 Q. Now, I'd like to ask you about a few other individuals.
10 During our meeting in January of 2017, did you see a series of
11 photographs of people other than La Reina?

12 A. That's correct.

13 Q. All right. Now, it's in the back of your binder there.
14 It's Government Exhibit No. 12, what I'm also going to hand
15 you -- that I'm also going to hand you. Do you recognize that
16 person?

17 A. That's correct.

18 Q. And what name did you know him by?

19 A. Jeremiah -- Jeremias.

20 Q. And did he go by anything else besides Jeremias?

21 A. Geronimo.

22 Q. And who was he?

23 A. His nickname was El Jero. He is a representative of the
24 organization that Arturo Beltran Leyva had in the Colombian
25 country with different organizations, Colombian organizations,

1 business partner of Arturo Beltran.

2 Q. And was -- do you know whether he was Mexican or
3 Columbian?

4 A. He's Mexican.

5 Q. Okay. So Geronimo is a Mexican who worked for the Beltran
6 Leyvas, and you said representative in Colombia. Just more
7 specifically, in what sense was he Arturo's representative in
8 Colombia? What did he do?

9 A. He did drug deals, cocaine to be sent to Mexico and the
10 United States through Arturo Beltran.

11 Q. So would it be fair to say he was sort of Arturo's liaison
12 to Colombian cocaine suppliers?

13 A. That's correct.

14 Q. At some point around September 2009, was the person you've
15 described as Borrado, Alberto Pineda Villa, was he killed?

16 A. That's correct.

17 Q. And following his death, did someone from within the
18 Beltran Leyva organization take over his role as an
19 intermediary between the Beltran Leyvas and different federal
20 police officers including La Reina?

21 A. That's correct.

22 Q. Who was that?

23 A. Ismael Coronel Sicairos.

24 Q. Did he go by any nicknames?

25 A. That's correct. El Judio or El Bufalo.

1 Q. And just for future purposes, can I ask the interpreter to
2 provide the Court a translation of the nickname "El Judio"?

3 A. "The Jew."

4 THE COURT: I know what it is.

5 MS. SAWYER: Just for the record.

6 THE COURT: All right.

7 BY MS. SAWYER:

8 Q. And based on your observations, did Ismael Corone1
9 Sicairos know La Reina?

10 A. That's correct.

11 Q. And now in approximately December of 2009, was Arturo
12 Beltran Leyva also killed?

13 A. That's correct.

14 Q. And who took over the leadership following -- of the
15 Beltran Leyva organization following Arturo's death?

16 A. Hector Beltran Leyva.

17 Q. Around that time, was there an individual who Hector
18 perceived as a threat to the leader -- to his leadership of
19 the Beltran Leyvas?

20 A. That's correct.

21 Q. And who was that?

22 A. Edgar Valdez Villareal, alias La Barbie.

23 Q. Mr. Villarreal, are you aware of what ultimately happened
24 to La Barbie, to Edgar Valdez?

25 A. That's correct. He fought with Hector Beltran, and he

1 ended up arrested by the federal police.

2 Q. Was there a particular federal police --

3 THE COURT: Wait a second.

4 MS. SAWYER: I'm sorry.

5 THE COURT: La Barbie was the one that was arrested
6 by the federal police? Okay.

7 MS. SAWYER: Yes, your Honor.

8 BY MS. SAWYER:

9 Q. And Mr. Villarreal, are you aware of whether or not any
10 members of the federal police received payment for their
11 participation in that arrest?

12 A. That's correct.

13 Q. Who was that?

14 A. La Reina.

15 Q. Was it La Reina's group that conducted the operation that
16 resulted in the arrest of Edgar Valdez?

17 A. That's correct.

18 Q. And how much was paid by the Beltran Leyva organization to
19 the federal police including La Reina?

20 A. Could you please repeat the question for me?

21 Q. How much did the Beltran Leyva organization pay to the
22 members of the federal police including La Reina?

23 A. 500 -- \$500,000.

24 Q. How do you know that?

25 A. Because I was with The Judio to make that payment.

1 Q. And was there a specific issue that was discussed at the
2 time the payment was made about a dissatisfaction on behalf of
3 the Beltran Leyvas?

4 A. That's correct.

5 Q. And what was that?

6 A. El Judio was complaining to La Reina that the deal that
7 they had made said that they were going to kill La Barbie, and
8 they had arrested him.

9 Q. And did La Reina give an explanation of why that happened?

10 A. That's correct.

11 Q. And what was that?

12 A. He said that he had shot at La Barbie on one occasion and
13 that La Barbie didn't respond to the aggression and for that
14 reason, they had to arrest him.

15 Q. Are you familiar with an individual who went by the
16 nickname Macho Prieto?

17 A. That's correct.

18 Q. Who was he?

19 A. It was a lieutenant of Chapo Guzman and Mayo Zambada that
20 was operating in the states of Sonora and Sinaloa.

21 Q. So in the time period following Arturo Beltran Leyva's
22 death, would Macho Prieto have been an ally of the Beltran
23 Leyvas or a rival?

24 A. A rival of the Beltran Leyvas.

25 Q. Now, based on your observations in your time working for

1 Arturo Beltran Leyva, what kind of relationship would someone
2 have to have with him in order to be able to meet with him in
3 person?

4 A. Real, real close.

5 Q. Why is that?

6 A. Because of fear of betrayal.

7 Q. Whose fear?

8 A. From rival cartels.

9 Q. Who would have been afraid of that?

10 A. I'm sorry?

11 Q. You said fear of rival cartels. Whose fear?

12 A. Arturo Beltran's being afraid that they would betray him.

13 Q. Would Arturo Beltran ever have met with someone simply
14 because they were a police officer?

15 A. No.

16 Q. Why is that?

17 A. Because of fear of betrayal.

18 Q. Mr. Villarreal, based on your experience both on one hand
19 as a police officer and also from working for Arturo Beltran
20 Leyva, is there any legitimate law enforcement reason for a
21 federal police officer to meet in person with Arturo Beltran
22 Leyva or to take money from him?

23 MR. LOPEZ: Objection, Judge.

24 THE COURT: Overruled.

25 THE WITNESS: I'm sorry. I'm having trouble hearing

1 you through the microphone.

2 THE INTERPRETER: The interpreter will use the
3 microphone closer, your Honor.

4 THE COURT: All right.

5 BY MS. SAWYER:

6 Q. Based on your experience both as a police officer and
7 working for Arturo Beltran Leyva, is there a legitimate
8 non-corrupt law enforcement reason that a federal police
9 officer would meet with Arturo Beltran Leyva or take money
10 from him?

11 A. Yes. There were a lot of people that took money from
12 Arturo Beltran, hundreds of police officers.

13 Q. Let me ask my question again. Is -- well, let me ask
14 this. Were those people corrupt --

15 THE COURT: I think that's -- I understand the
16 position historically, at least as laid out, concerning what
17 the Mexican police relationship is as opposed to the DEA, for
18 example. I don't think you really need to have him answer
19 this.

20 BY MS. SAWYER:

21 Q. And Mr. Villarreal, were there law enforcement -- were
22 there police officers who were paid by intermediaries on
23 behalf of the Beltran Leyva organization but who never met
24 Arturo in person?

25 A. A lot. The majority of them pretty much didn't know him.

1 Q. The majority of the police officers never met Arturo in
2 person, is that what you're saying?

3 A. That's correct.

4 MS. SAWYER: I have no further questions, your Honor.

5 THE COURT: Cross-examine?

6 MR. LOPEZ: Yes.

7 (Pause.)

8 CROSS-EXAMINATION

9 BY MR. LOPEZ:

10 Q. Good morning, Mr. Barragan.

11 A. Good morning, sir.

12 Q. Sir, you were a federal -- or the Coahuila judicial police
13 force in 1990; is that right?

14 A. That's correct, sir.

15 Q. And then eventually you went to the federal police; is
16 that correct?

17 A. That's correct, sir.

18 Q. And the federal police you worked for at that time was led
19 by the office of the Attorney General of Mexico; is that
20 right?

21 A. That's correct, sir.

22 Q. And at that time, you were stationed at Nuevo Laredo on
23 the border; is that correct?

24 A. No, sir.

25 Q. Were you ever stationed in Nuevo Laredo?

1 A. Not working as a federal policeman.

2 Q. How about when you were working for the judicial police
3 force?

4 A. No. Coahuila is another state, sir.

5 Q. But you did eventually make your way to Reynosa,
6 Tamaulipas, correct?

7 A. No, sir.

8 Q. You never were in Reynosa, Tamaulipas?

9 A. No, sir.

10 Q. Do you know a group called the Juarez cartel?

11 A. That's correct, sir.

12 Q. And did you work for the Juarez cartel for a period of
13 time?

14 A. That's correct, sir.

15 Q. In what years did you work for the Juarez cartel?

16 A. Approximately from 1993 to 1997.

17 Q. And what were your duties for the Juarez cartel at that
18 time, Mr. Barragan?

19 A. I worked as a federal -- a judicial policeman, and I
20 cooperated with Amado Carrillo in bringing down planes loaded
21 with cocaine.

22 Q. Was that -- Amado Carrillo, was he the head of the Juarez
23 cartel?

24 A. That's correct.

25 Q. Was he also nicknamed "King of the Skies"?

1 A. The "Lord of the Skies," yes.

2 Q. And that was because he used airplanes to bring cocaine
3 into Mexico?

4 A. That's correct, sir.

5 Q. Okay. And would you assist in getting those planes on to
6 the ground?

7 A. That's correct, sir.

8 Q. So you worked for him for approximately four years; is
9 that correct, sir?

10 A. That's correct, sir.

11 Q. And at the same time, you worked for the federal police,
12 correct?

13 A. That's correct, sir.

14 Q. After 1997, did you then move over to the Gulf cartel?

15 A. No, sir.

16 Q. What about, did you ever work for the Gulf cartel?

17 A. No, sir.

18 Q. Did you go from the Juarez cartel to the Federation?

19 A. That's correct, sir.

20 Q. In what year did you begin working with the Federation?

21 A. Approximately in 2001.

22 Q. So from 1997 to 2001, were you still on the federal police
23 force?

24 A. Not anymore, sir.

25 Q. When did you leave the federal police force?

1 A. Approximately in 1997.

2 Q. So between 1997 and 2001, who did you work for?

3 A. I ran some businesses in Nuevo Laredo, Tamaulipas.

4 Q. What type of businesses were those?

5 A. It was a car sales business, and one was a food sales
6 business.

7 Q. And that was in Mexico, correct?

8 A. In Nuevo Laredo, Tamaulipas, yes, sir.

9 Q. And in 2001, did you then meet Arturo Beltran?

10 A. I had known him from some time before that.

11 Q. Do you remember when it was you first met him?

12 A. Approximately in '93.

13 Q. And in 1993, what was Mr. Beltran doing or who was he
14 working with?

15 A. Arturo Beltran was the person in charge for the Juarez
16 cartel in the city of Aqua Prieta, Sonora.

17 Q. So he worked -- did he work under Amado Carrillo?

18 A. That's correct, sir.

19 Q. Did La Barbie work with that group, too?

20 A. No, sir.

21 Q. What about El Borrado?

22 A. No, sir.

23 Q. What about a person by the name of Luis Cardenas Palomino?

24 A. No, sir, not during those years, not yet.

25 Q. When you began to work with Beltran, you worked with

1 Arturo; is that right? He was the boss?

2 A. That's correct, sir.

3 Q. And I think you described to us that he had two brothers
4 by the name of Hector and Alfredo; is that right?

5 A. He has two brothers.

6 Q. Was Alfredo arrested at some point?

7 A. That's correct, sir.

8 Q. And was -- the arrest of Alfredo, did that cause the
9 breakup between El Chapo and Arturo Beltran?

10 A. That's correct, sir.

11 Q. And it was your understanding that El Chapo used some
12 federal police officers to arrest Alfredo Beltran; is that
13 right?

14 A. Military, sir.

15 Q. Was that the Marines?

16 A. No, sir. The Mexican Army.

17 Q. There was also a general in charge of that operation; is
18 that right?

19 A. That's correct, sir.

20 Q. And can you tell us -- I don't remember. I read it, but
21 what was the name of the general, if you know?

22 A. Angel Dahguares.

23 Q. Can we ask you to spell it for the court reporter, please,
24 the last name, if you can?

25 THE COURT: See how close you got it.

1 THE WITNESS: D-a-h-g-u-a-r-e-s.

2 BY MR. LOPEZ:

3 Q. And he was the person responsible for the arrest of Arturo
4 based on the information provided by El Chapo; am I correct
5 about that?

6 A. Of Alfredo, Alfredo Beltran.

7 Q. Now, when the Federation split, you stayed with Arturo; is
8 that correct?

9 A. That's correct, sir.

10 Q. And you rose -- you rose to a supervisor position, did you
11 not?

12 A. That's correct, sir.

13 Q. In fact, you had -- you had people working underneath you;
14 isn't that true?

15 A. Under Arturo Beltran.

16 Q. I understand, under Arturo, but Arturo Beltran was your
17 boss, right?

18 A. That's correct.

19 Q. And eventually, you became a plaza boss, did you not?

20 A. I did not have a plaza. I worked alongside Arturo
21 Beltran.

22 Q. Okay. Can you tell -- do you remember working at the
23 Plaza de La Guana, La Guana?

24 A. La Guana, I do not know that name.

25 Q. You would be responsible for making sure that the routes

1 chosen were safe routes to smuggle the product into the United
2 States; isn't that true?

3 A. That's correct, sir.

4 Q. That was one of your jobs, correct?

5 A. That's correct, sir.

6 Q. And another one of your jobs was to provide security to
7 the organization; isn't that also correct?

8 A. Not to provide security. There was someone in charge in
9 the area of security for Arturo.

10 Q. You would always be armed, though; isn't that true?

11 A. That's correct, sir.

12 Q. And Arturo was responsible for over 1,000 murders that he
13 ordered; isn't that true?

14 A. Possibly, yes, sir.

15 Q. And you knew that Arturo Beltran would kidnap and kill
16 people; is that right?

17 A. In some cases, yes.

18 Q. That didn't bother you. You kept working for him. Isn't
19 that right?

20 A. I continued to work for him, sir.

21 Q. You saw him kill people, didn't you?

22 A. I never saw him kill someone.

23 Q. Didn't you tell the DEA you saw him kill a Brazilian
24 actress and a Mexican singer one time because he got mad about
25 what they said?

1 A. Someone -- yes, yes, sir, that is so.

2 Q. You were there when he killed both those women, weren't
3 you?

4 A. That's correct, sir.

5 Q. And you witnessed other murders, too, haven't you?

6 A. That I can recall, I was a witness to that murder.

7 Q. Okay. And other murders, too, correct?

8 A. That I can recall at this moment, that's the one that
9 comes to mind, sir.

10 Q. Okay. You saw Arturo's men torture people before, didn't
11 you?

12 A. On occasion, yes, sir.

13 Q. That didn't bother you, you continued to work for him; is
14 that right?

15 A. It did bother me and, in fact, I did complain to Arturo
16 about it, and I also interceded for some people. And Arturo
17 would only tell me not to get involved, that he knew what he
18 was doing.

19 Q. You were arrested in Mexico, weren't you?

20 A. That's correct.

21 Q. You were charged with drug trafficking?

22 A. That's correct.

23 Q. And multiple murders? Those were your charges?

24 A. That's correct, sir.

25 Q. And eventually, you were extradited to the United States;

1 is that correct?

2 A. That's correct, sir.

3 Q. And you began to cooperate; is that right?

4 A. That's correct, sir.

5 Q. You knew when you got to the United States you'd be

6 looking at a significant sentence; is that right?

7 A. That's correct, sir.

8 Q. It was your understanding that you could be sentenced

9 anywhere from 30 years to life; is that right?

10 A. Sent to life, yes, sir.

11 Q. And you decided to cooperate so you wouldn't have to serve

12 that much time; isn't that right?

13 A. That's correct, sir.

14 Q. And eventually, you were sentenced to 120 months?

15 A. That's correct, sir.

16 Q. And as part of your sentence, you're cooperating, right?

17 A. That's correct, sir.

18 Q. And as part of your sentence, you have to -- let me

19 rephrase that.

20 You're here today because of your cooperation

21 agreement with the government; isn't that right?

22 A. I didn't understand the question. I'm sorry.

23 Q. I'll rephrase it. You're here today because your plea

24 agreement requires you to cooperate?

25 A. With the truth, yes, sir.

1 Q. And testify; is that right?

2 A. That's correct, sir.

3 Q. Do you remember a person by the name of Juan Leyva?

4 A. No, not Juan Leyva, sir.

5 Q. Okay. You -- you talked about El Borrado before; is that
6 right? Do you remember him?

7 A. That's correct.

8 Q. And El Borrado was killed by Arturo Leyva and his men; is
9 that right?

10 A. That's correct, sir.

11 Q. And that was because Arturo felt he was betraying him
12 because he was receiving loads from El Chapo?

13 A. That's correct.

14 Q. And they had their throats slit, and they were burned in a
15 car; is that right?

16 A. That's correct, sir.

17 Q. Do you remember Mario Pineda?

18 A. That's correct.

19 Q. He also worked -- excuse me. He also worked for Arturo,
20 did he not?

21 A. That's correct.

22 Q. And he was also receiving loads on the side from El Chapo;
23 is that right?

24 A. That's correct, sir.

25 Q. And Arturo had him killed, too; is that right?

1 A. That's correct, sir.

2 Q. In fact, you drove Mario -- you drove Mario to a toll
3 plaza on a highway. Do you remember that?

4 A. That's correct, sir.

5 Q. And you turned him over to Hector Beltran; is that right?

6 A. That's correct, sir.

7 Q. Who murdered him on the spot with an AK-47; is that
8 correct?

9 A. Hector Beltran murdered him, that's correct.

10 Q. After you brought him to him; is that right?

11 A. That's correct, sir.

12 Q. While you were -- while you were working for Beltran, it
13 would not be unusual for you or others to steal loads from
14 rival cartels; is that right?

15 A. That's correct, sir.

16 Q. One time, you took three to five tons from the Gulf cartel
17 and the Zetas. Do you remember that?

18 A. That's correct, sir.

19 Q. And because of that, your brother was kidnapped; is that
20 right?

21 A. No, sir. My brother had already been kidnapped.

22 Q. Okay. Was he kidnapped by the Gulf cartel?

23 A. That's correct, sir.

24 Q. And did they kill him?

25 A. No, sir.

1 THE COURT: Is that "gulf," like the Gulf of Mexico?

2 MR. LOPEZ: Like Gulf of Mexico, Judge, g-u-l-f.

3 THE COURT: Okay.

4 BY MR. LOPEZ:

5 Q. Was he subsequently released after negotiations?

6 A. That's correct, sir.

7 Q. Did the federal police help in that or the military?

8 A. The federal police.

9 Q. You mentioned to the judge earlier today that it was not
10 unusual for cartels to give information to the federal police
11 about rival cartels?

12 A. That it was common.

13 Q. And that's kind of the way the business was structured
14 during the period of time that you were involved in it; is
15 that right?

16 A. That's correct.

17 Q. And Arturo would give information to the federal police;
18 is that right?

19 A. That's correct.

20 Q. And then the federal police would take that information
21 and go arrest somebody; is that right?

22 A. That's correct.

23 Q. You remember when La Barbie was arrested, right?

24 A. That's correct.

25 Q. La Barbie had worked with Arturo; is that right?

1 A. That's correct.

2 Q. And Arturo was killed in 2009?

3 A. That's correct.

4 Q. Were you with him at that time?

5 A. No, sir.

6 Q. I mean, you've been involved in paying off prosecutors in
7 Mexico, have you not?

8 A. That's correct, sir.

9 Q. I'm going to read into the record some letters, and please
10 tell the judge what they stand for and who they are:

11 S-E-I-D-O.

12 A. "SIEDO"? S-E-I-D-O?

13 Q. Yes -- no, S-E-I-D-O.

14 A. So at that time, it was S-I-E-D-O, and it was --

15 Q. You might not -- you don't remember what it -- what it
16 stands for?

17 A. That's correct, sir.

18 Q. But what was it as a group?

19 A. It was a branch of the federal prosecutors that were
20 specialized in organized crime.

21 Q. And you would pay them off; is that right?

22 A. In some parts, sir.

23 Q. La Barbie would pay him, too; is that right?

24 A. That's correct, sir.

25 Q. Do you remember a group called AFI?

1 A. A-F-I, AFI, yes, sir.

2 Q. Do you remember what AFI stands for?

3 A. Federal agency of investigation.

4 Q. Do you know a person by the name of Ramon Pequeno?

5 A. That's correct, sir.

6 Q. Who was Ramon Pequeno?

7 A. A high-ranking official of the federal police.

8 Q. He was a high-ranking official above Ivan Reyes; is that
9 right?

10 A. That's correct, sir.

11 Q. It was your understanding he was Mr. Reyes Azarte's boss;
12 is that right?

13 A. That's correct, sir.

14 Q. And when you talk about this meeting with this Colombian
15 informant, Mr. Paque no was the one that told Reyes to give
16 the information to him, and he gave that information to
17 Arturo; is that right?

18 A. That's correct, sir.

19 Q. Do you remember in February 19th of 2015 that you had an
20 interview at the Joe Corley detention center in Conroe, Texas?

21 A. That's correct, sir.

22 Q. And you remember that you had an attorney by the name of
23 Scott McCrum. Do you remember that?

24 A. That's correct, sir.

25 Q. And do you remember speaking -- or do you remember the

1 names of a couple of agents? One of them was James Cain,
2 C-a-i-n. Do you remember that name?

3 A. That's correct, sir.

4 Q. And do you remember another agent by the name of Darryl
5 Sobin, S-o-b-i-n?

6 A. The truth is, I've spoken with a lot of AUSAs and a lot of
7 officers, and I don't remember all of them, you know.

8 Q. You've been debriefed countless times; is that right?

9 A. Many times.

10 Q. In Texas and in other places?

11 A. That's correct.

12 Q. Are you expected to testify in the El Chapo trial in New
13 York City?

14 A. I do not know, sir.

15 Q. Let's talk about your meeting that you had on February
16 19th of 2015.

17 A. That's correct, sir.

18 Q. Do you remember a person by the name of Luis Cardenas
19 Palomino?

20 A. That's correct, sir.

21 Q. And who was he?

22 A. A high-ranking official of the federal government.

23 Q. Now, he wasn't a policeman; is that right?

24 A. He worked at the federal secretary's office for home
25 security and before that, in the federal -- federal agency of

1 investigations.

2 Q. While you worked for these various cartels, you've become
3 aware that these cartels had made payments all the way up to
4 the chain almost to the president of Mexico; is that right?

5 A. That's correct, sir.

6 Q. And that's how these cartels conducted business in Mexico,
7 correct?

8 A. That is how they do it, sir.

9 Q. Now, there came a point in time when Arturo was using
10 offshore power boats to move product; is that right?

11 A. That's correct, sir.

12 Q. Submarines as well; is that right?

13 A. That's correct, sir.

14 Q. And these boats would meet vessels in international
15 waters, and they would load up the cocaine and bring it to the
16 shore; is that right?

17 A. That's correct, sir.

18 Q. And within a period of six or seven months, a lot of these
19 vessels were being seized; is that right?

20 A. Some, yes, but actually, I couldn't tell you for sure, sir.

21 Q. Okay. Well, do you remember on February 19th of 2015 that
22 you had a meeting with the people that I just talked about,
23 and you told them there was a period of six to seven months
24 where numerous go-fast boats as well as semi-submersibles were
25 seized by the U.S. government while en route to Mexico with

1 cocaine loads. Do you remember saying that?

2 A. That's correct, sir.

3 Q. And what I want to know is, these were seizures that were
4 by the United States, by the DEA, and not by any Mexican
5 police; isn't that true?

6 A. That's correct, sir. They were in international waters.
7 In Mexico, there were no seizures because of the corruption.

8 Q. No, I understand that, and that's the point I'm trying to
9 make.

10 THE COURT: He made it for you.

11 MR. LOPEZ: Thank you.

12 THE COURT: Move on.

13 BY MR. LOPEZ:

14 Q. So Arturo was concerned that there was a leak in the
15 organization; is that right?

16 A. That's correct, sir.

17 Q. And he directed El Borrado to talk to Luis Cardenas
18 Palomino about that problem; isn't that right?

19 A. That's correct, sir.

20 Q. And there was a meeting that was called at the place you
21 previously described as Mi Ranchito. Do you remember that?

22 A. That's correct, sir.

23 Q. And that was in Cuernavaca near Mexico City, correct?

24 A. Yes, the second meeting, yes, sir.

25 Q. And present at the meeting were Cardenas Palomino, Arturo,

1 Borrado, Mario Pineda Villa -- you also would call him "MP,"
2 correct?

3 A. Mario Pineda Villa was not at the second meeting, sir.

4 Q. I'm talking about, after El Borrado asked Palomino for
5 assistance, there was a meeting. That's what you told the
6 DEA, right?

7 A. At the first meeting, yes, sir.

8 Q. And at that meeting, there was another person, the
9 nickname Conejo, C-o-n-e-j-o. Do you remember him?

10 A. Yes, possibly he was there. I don't remember right now
11 exactly.

12 Q. Would you like to see a copy of the statement which you
13 gave to the DEA to help you refresh your recollection?

14 A. Yes, sir.

15 MR. LOPEZ: Judge, I'm going to mark this as Azarte
16 1.

17 Judge, I'm going to direct him and maybe --

18 THE COURT: Yes, direct him.

19 MR. LOPEZ: It's in English, so can the interpreter
20 interpret for him --

21 THE COURT: If he needs help.

22 BY MR. LOPEZ:

23 Q. Can you read English?

24 A. No, sir. I don't read or speak English, sir.

25 Q. So would you need the interpreter to help you read -- to

1 interpret it for you?

2 A. Yes, please.

3 MR. LOPEZ: Okay. Judge, I'm going to -- I've
4 already talked to the government.

5 I'm going to direct the interpreter to, if you could
6 just -- if you could just interpret that box.

7 THE INTERPRETER: Translate that for him right now?

8 MR. LOPEZ: Not on the record.

9 (Translation off the record.)

10 BY MR. LOPEZ:

11 Q. All right. Is your memory refreshed?

12 A. That's correct, sir.

13 Q. So Conejo was at the meeting, correct?

14 A. Possibly, sir, as I mentioned there.

15 Q. Now, at that meeting, Cardenas Palomino told the group
16 that he had spoken to his compadre, Genaro Garcia Luna?

17 A. That's correct, sir.

18 Q. And he had been informed that there was a Colombian
19 informant working within the Beltran Leyva cartel?

20 A. That's correct, sir.

21 Q. And then Cardenas Palomino provided the informant's name
22 and nickname; is that right?

23 A. That's correct, sir.

24 Q. And this is the same Colombian informant that was later
25 murdered; is that right?

1 A. That's correct, sir.

2 Q. And during your interview on February 19th, 2015, you told
3 the DEA that according to Cardenas Palomino that Garcia Luna
4 had obtained this information from Garza Palacios. Do you
5 remember that?

6 A. That's correct, sir.

7 Q. Who you might -- who you think is Francisco Javier Garza
8 Palacios, correct?

9 A. That's correct, sir.

10 Q. Who was a Mexican federal police officer stationed in
11 Bogota?

12 A. That's correct, sir.

13 Q. And then after learning the identity of the informant,
14 Borrado ordered El Panchito to go get the informant and bring
15 him to him; is that right?

16 A. That's correct, sir.

17 Q. And the informant was taken from Cuernavaca by Borrado and
18 MP?

19 A. They were in the city of Cuernavaca, the informant.

20 Q. But they took him, right, and tortured him?

21 A. That's correct, sir.

22 Q. And you learned that the informant admitted he'd been
23 arrested in Miami and was cooperating?

24 A. That's correct, sir.

25 Q. And Arturo took all the informant's properties?

1 A. That's correct, sir.

2 Q. And then he killed him or he had him killed?

3 A. That's correct, sir.

4 Q. You didn't know the informant, did you, or did you?

5 A. No, sir.

6 Q. You had never met him?

7 A. No, sir, not that I remember, no.

8 Q. You weren't present when the informant was killed, were
9 you?

10 A. I was not present, sir.

11 THE COURT: How much more do you have?

12 MR. LOPEZ: A couple more minutes.

13 THE COURT: A couple minutes?

14 MR. LOPEZ: Yes. Do you want to take a break?

15 THE COURT: No. If it's only a few minutes, let's
16 finish it. Then we'll take a short break.

17 BY MR. LOPEZ:

18 Q. Sir, after the informant was killed, no more boats were
19 stopped; is that right?

20 A. No, sir, not that I know of, no.

21 Q. Now, do you remember, you came -- that you had an
22 interview here in this building on August 20th, 2018?

23 A. Yes, sir.

24 Q. And you were shown a photograph. Do you remember that?

25 A. Yes, sir.

1 Q. And at first you said it was -- at first you said that it
2 was La Reina; is that right?

3 A. Yes, sir.

4 Q. And then later, you changed your mind; is that right?

5 A. Yes, sir. Those days, I was feeling very bad physically.

6 Q. But you identified a photograph of Ivan Reyes, La Reina,
7 and it was a photograph of somebody else; is that right? You
8 remember that?

9 I'm just asking if you remember it, yes or no. You
10 remember that, right?

11 A. I was explaining to you --

12 Q. I'm not asking for an explanation --

13 THE INTERPRETER: Your Honor --

14 THE COURT: Wait, wait. You're talking over each
15 other.

16 THE INTERPRETER: -- the interpreter cannot do two
17 voices.

18 MR. LOPEZ: I'm not asking for an explanation.

19 THE COURT: It's hard to do with the translation.

20 BY MR. LOPEZ:

21 Q. Just yes or no.

22 A. Yes.

23 MR. LOPEZ: I have nothing further, Judge.

24 THE COURT: All right. We'll take a -- how much
25 redirect?

1 MS. SAWYER: I think it will be brief, your Honor.

2 THE COURT: Pardon?

3 MS. SAWYER: I think it will be brief.

4 THE COURT: All right. Let's finish him and then
5 we'll --

6 MS. SAWYER: Thank you.

7 THE COURT: -- take a break.

8 Judy, are you okay? All right.

9 REDIRECT EXAMINATION

10 BY MS. SAWYER:

11 Q. When -- Mr. Villarreal, when we first met with you back in
12 January of 2017, were you shown approximately 10 to 12
13 photographs of all different people?

14 A. That's correct.

15 Q. And Government's Exhibit 1 that you referred to previously
16 you saw as part of that group of photographs of 10 to 12
17 people; is that right?

18 A. That's correct.

19 Q. And you identified that individual as the person known to
20 you as "La Reina"?

21 A. That's correct.

22 Q. Okay. And just generally speaking, during the course of
23 your cooperation, approximately how many different individuals
24 have you provided information about?

25 A. Oh, so many. I don't know if it's 50 to 70 or more

1 people.

2 Q. Okay. And by the time you spoke to us for the first time
3 in this case in January 2017, had you already provided
4 information about other people who had a role in this drug
5 trafficking operation?

6 A. I'm sorry?

7 Q. By the time you spoke with us about La Reina in January
8 2017, had you already provided all that information about all
9 of those different people?

10 A. No, it's just a lot of information.

11 Q. Right. And had you already provided that information
12 prior to 2017?

13 A. Ah, yes. That's correct.

14 Q. So in your mind, did you know whether you would get any
15 additional benefit by talking about one more person?

16 A. No, no, no.

17 Q. Okay. Now, when we talked to you for the first time in
18 January 2017 about the person you knew as La Reina, did anyone
19 tell you why we were asking you about him?

20 A. No, no one.

21 Q. Did anyone tell you what he was suspected of doing?

22 A. No, no one.

23 Q. Did anyone show you any evidence related to La Reina?

24 A. No. They just showed me the photograph, and I talked
25 about what I needed to talk about: The truth of the facts.

1 Q. And prior to January 2017, had any investigators ever come
2 to you to specifically ask about La Reina?

3 A. No, no one.

4 Q. And were those investigations either centered on senior
5 members of the Beltran Leyva organization or people senior to
6 La Reina within the Mexican law enforcement community?

7 A. That's correct.

8 Q. And at the time of the meeting about the Colombian
9 informant, where did La Reina rank --

10 MR. LOPEZ: Objection.

11 MS. SAWYER: -- in relation to --

12 THE COURT: Overruled. If he knows.

13 BY MS. SAWYER:

14 Q. -- in relation to the other law enforcement
15 representatives present at that meeting?

16 A. He had an intermediate rank in the police.

17 Q. Okay. So what does that mean about how it compared to the
18 other law enforcement representatives that were there?

19 A. The others were very high in the federal police.

20 THE COURT: I think he testified to that on your
21 direct.

22 BY MS. SAWYER:

23 Q. And as a result, were those people more memorable to you
24 in the context of that meeting?

25 A. Certainly, because with them, I had more contact.

1 Q. And Mr. Villarreal, it was no secret prior to Arturo
2 Beltran Leyva's death in 2009 that his organization was
3 violent; is that right?

4 A. That's correct, yes.

5 Q. Everyone knew that, right, in Mexican police, the DEA?

6 A. That's correct.

7 Q. And prior to his death in 2019, Arturo Beltran Leyva was,
8 in fact, one of the most wanted men in Mexico, right, by the
9 Mexican police as well as the DEA?

10 A. That's correct.

11 Q. Certainly, anyone who worked in law enforcement would have
12 known that, right?

13 MR. LOPEZ: Objection.

14 THE COURT: Yes, I'll sustain the objection.

15 BY MS. SAWYER:

16 Q. All right. And Mr. Lopez has referenced a couple of
17 previous interviews, specifically 2015 in the context of the
18 meeting with the Colombian -- actually, strike that.

19 Let's go back to some questions that Mr. Lopez asked
20 you about corruption generally and about the fact that you
21 used your status as a police officer to help the Juarez
22 cartel. Do you remember those questions?

23 A. Yes.

24 Q. Did you have any belief that that was legal at the time?

25 MR. LOPEZ: Objection.

1 THE COURT: He can answer.

2 BY THE WITNESS:

3 A. I knew that it was illegal, what I was doing.

4 BY MS. SAWYER:

5 Q. And why -- why do it?

6 MR. LOPEZ: Objection.

7 BY THE WITNESS:

8 A. Ambition.

9 THE COURT: Well, those are pretty -- let's move on
10 so we can get to the next witness.

11 Anything further?

12 MS. SAWYER: I have no further questions, your Honor.

13 THE COURT: Anything further?

14 MR. LOPEZ: No, Judge.

15 (Witness excused.)

16 THE COURT: We'll take a 10-minute recess.

17 (Recess from 11:44 a.m. to 11:56 a.m.)

18 THE COURT: Please stand up and raise your right
19 hand.

20 (Witness sworn.)

21 THE WITNESS: Yes.

22 THE COURT: Please be seated.

23 MR. SU: Thank you, your Honor.

24 THE COURT: You may question the witness.

25 MATTHEW SANDBERG, GOVERNMENT'S WITNESS, SWORN

1 DIRECT EXAMINATION

2 BY MR. SU:

3 Q. Sir, can you please state and spell your name?

4 A. My name is Matthew Sandberg.

5 Q. Are you currently employed?

6 A. Yes, I am, with the Drug Enforcement Administration.

7 Q. And how long have you been with the DEA?

8 A. Approximately 18 years.

9 Q. Where are you currently stationed or assigned to?

10 A. Salt Lake City, Utah.

11 Q. What are your responsibilities in Salt Lake City?

12 A. I'm a group supervisor there.

13 Q. Prior to Salt Lake City, where were you assigned?

14 A. I was assigned to Mexico City, Mexico.

15 Q. For how long?

16 A. For three years.

17 Q. And before Mexico City?

18 A. I was in Guatemala for three years.

19 Q. And before Guatemala, where were you?

20 A. I was in Texas for approximately 12 years.

21 Q. And this was all while you're part of the DEA; is that
22 correct?

23 A. Yes.

24 Q. What kind of investigations did you do in Texas and in
25 Guatemala?

1 A. Cartel investigations, primarily Mexican cartel
2 including -- my focus was on cartels out of Sinaloa with a
3 particular expertise in Sinaloa cartels, but also I worked on
4 the Juarez cartel and the Zetas and many other cartels but
5 with particular emphasis on, like I said, Sinaloa cartels,
6 Beltran Leyva and The Federation.

7 Q. When you moved to Mexico City, were you also working on
8 cases relating to those same cartels?

9 A. Yes.

10 Q. You just mentioned the Beltran Leyva organization just
11 now. Can you describe what that was?

12 A. Yeah. That was an organization that was headed by the
13 Beltran Leyva brothers. Alfredo Beltran Leyva initially was
14 in charge, and he was arrested, and later Arturo was in charge
15 and eventually Hector. They broke off from the Sinaloa cartel
16 headed by Chapo Guzman and Mayo Zambada when there was a
17 disagreement that arose between the Beltran Leyva brothers and
18 Chapo Guzman.

19 Q. So Arturo Beltran Leyva was one of the brothers in charge
20 of the Beltran Leyva organization?

21 A. Yes, and eventually became the most powerful of the
22 brothers.

23 Q. Now, sir, as part of your investigation in Mexico, did you
24 partner with Mexican law enforcement officials?

25 A. Yes.

1 Q. Which agencies did you partner with in particular?

2 A. The two agencies that we partnered with were the Mexican
3 Marines and the federal police but a specific unit within the
4 federal police known as the SIU.

5 Q. Why did you need to partner with these agencies?

6 A. Because like in any country that we work in, we have very
7 special or specific people that we work with who we have tried
8 to vet and make sure that we can trust them because of the
9 corruption that we know sometimes exists in those other
10 countries and around the world.

11 Q. And, in fact, you have to partner with these agencies
12 because you're guests in their country; isn't that right?

13 A. That's right. We don't have any independent authority in
14 another country, another sovereign country, to be able to make
15 our own arrests and do things there without the participation
16 of the other country. And usually, they act as the lead in
17 those enforcement operations, so we depend on them to be able
18 to do that with the information we provide them.

19 Q. Now, you mentioned a unit within the federal police called
20 the SIU. Can you describe what that is?

21 A. Yes. Sensitive investigation unit, and this is a unit
22 that we set up with foreign police agencies, usually with like
23 the federal police in that particular country. And it's a
24 group of officers that we train at Quantico, Virginia, at the
25 DEA academy and whom we -- there's a process that we go

1 through to try to ensure that those officers are vetted and
2 their backgrounds are checked and, if possible, try to weed
3 out the people that may be corrupt.

4 Q. Can you describe the nature of the relationship between
5 agents working cases in Mexico as part of the DEA and Mexican
6 SIU members?

7 A. Yes. It's very close because we depend on each other.
8 Our lives literally depend on each other because we're in it
9 against some of the most violent, powerful criminal
10 organizations in the world, and so we need to share
11 information back and forth about these targets.

12 And so we get to know them on a professional level
13 and sometimes even more than that, as friends because we get
14 together for lunch or other things like that. So we get to
15 know each other and work together closely to investigate these
16 groups.

17 Q. Do you have that same type of relationship with non-SIU
18 federal police officers?

19 A. No. We purposely avoid having -- building those closer
20 relationships in order to try to ensure that the cases don't
21 get compromised.

22 Q. So directing your attention to 2015-2016, during that
23 timeframe, as part of your investigative duties in Mexico, did
24 you assist in related grand jury investigations conducted by
25 the U.S. Attorney's Office for the Northern District of

1 Illinois as well as for the Southern District of California?

2 A. Yes, I did.

3 Q. Can you summarize that investigation, who the targets of
4 that investigation were?

5 A. Yes. So I had my own informants in Mexico, and it was
6 discovered while I was working with them that they had
7 information about some targets. One in particular to begin
8 with was Geronimo Gamez Garcia who was a high-level member of
9 the Beltran Leyva cartel back when it was at its peak of
10 power. And so he had recently been released from prison in
11 Mexico, and he was out again and he was operational.

12 So we started to investigate him, and that led us to
13 a couple other powerful cartel figures: Angel Dominguez who
14 ended up really being probably the big kingpin in that case,
15 and then another individual named Gerardo Vazquez, also known
16 as Pulpos. So we were investigating those three guys and
17 those two targets and their relationships with the Colombians
18 who they were getting cocaine from and sending it to the
19 United States.

20 And, in fact, that cartel was in the process of
21 trying to take over the whole entire eastern side of Mexico
22 and to consolidate elements from the Beltran Leyvas, the Gulf
23 cartel, and the Zetas. So it was a rapidly growing group with
24 a lot of power.

25 Q. Based on your investigation into Gamez, did you learn what

1 specifically his role was in the former Beltran Leyva
2 organization?

3 A. In the former Beltran Leyva organization, he was an
4 individual that was representing the Beltran Leyva cartel to
5 the Colombians, and he was very, very close to Arturo Beltran
6 Leyva. And he would go down to the Colombians and negotiate
7 cocaine deals and also precursor chemicals for manufacturing
8 of other synthetic drugs.

9 Q. And did you learn from this investigation what his role
10 was in this new Dominguez drug trafficking organization?

11 A. Yes. We learned quickly from the informants that we had
12 that he was now acting kind of in the same exact role but
13 doing it for this new group called the satellite elite group,
14 which was headed by Angel Dominguez and that had ties with the
15 Beltran Leyva's mole.

16 Q. You discussed using informants. Did you use other
17 investigative methods during this investigation?

18 A. Yes. We used surveillance, and we were doing Title III
19 investigations in the United States. Initially, it was just I
20 was doing my investigation in Mexico, and I discovered as I
21 started looking at the phone numbers for these targets that,
22 in fact, Chicago was also investigating some of those numbers
23 and didn't realize who they were.

24 And so I spoke to the Chicago office, and we began to
25 team up as well as with San Diego to combine our efforts. So

1 we were doing Title III investigations, surveillance,
2 informants, and all the normal techniques that we were using.

3 Q. And when you say "Title III investigation," you mean Title
4 III wiretaps; is that correct?

5 A. Wiretaps, yes.

6 Q. And so who were these three targets who were intercepted
7 over these Title III wiretaps?

8 A. So it was Geronimo Gamez and Angel Dominguez and Gerardo
9 Vazquez, also known as Pulpos.

10 Q. And when you mentioned surveillance, who was principally
11 responsible for conducting surveillance in Mexico?

12 A. Well, usually it will be the Mexican government because
13 it's their country, and so SIU would be our surveillance tool,
14 if you will, or the ones who would conduct the surveillance.
15 Occasionally, and not very often, we would assist if there's
16 some kind of emergency but typically, it's them that does the
17 surveillance at our request.

18 Q. And with respect to informants, were you responsible for
19 controlling a confidential source?

20 A. Yes. As a DEA agent, we're the ones that control the
21 confidential sources.

22 Q. Who did the confidential source that you controlled have
23 access to?

24 A. He had access to Geronimo Gamez and eventually to Angel
25 Dominguez and also to Pulpos, or Vazquez, as I mentioned.

1 Q. And can you describe the nature of the activities that the
2 confidential source was engaged in?

3 A. His -- his job in the case was to provide us with
4 information about the Colombians and the Mexicans that were
5 meeting to negotiate these drug deals. And so the informant
6 was the one that was acting to introduce them and to monitor
7 what was happening so that we knew about these meetings and
8 what deals they were trying to do to try to -- so that we
9 could try to intercept the loads and investigate the
10 organizations they were working with, the Colombian and the
11 Mexican organizations that were working together.

12 Q. And did the confidential source, in fact, record some of
13 these meetings as well as calls he had placed with some of the
14 targets?

15 A. Yes.

16 Q. And did -- making those recordings and these other
17 activities, did they put the CS in some danger?

18 A. Yes. It's, of course, a very potentially dangerous
19 situation for the informants because of the level of
20 traffickers that they're dealing with. So this one was
21 definitely in that position.

22 Q. With respect to Geronimo Gamez, based on all these
23 investigative methods we talked about, did the investigation
24 learn that Gamez went by a particular nickname?

25 A. Yes. He had several, Jero and Jeremias, but those were

1 the main ones he was known as.

2 Q. In the binder in front of you, you have several exhibits.

3 Do you see that?

4 A. Yes. Let me grab my glasses.

5 Q. If you can, flip to Government Exhibit 12.

6 MR. LOPEZ: Excuse me. What number was that,
7 counsel?

8 MR. SU: 12.

9 THE WITNESS: Okay.

10 BY MR. SU:

11 Q. Do you recognize the photo in Government Exhibit 12?

12 A. Yes. That's Geronimo Gamez Garcia, or Jeremias.

13 Q. Now, you also talked about the SIU's involvement in this
14 investigation. Was there a primary point of contact at SIU?

15 A. Yes. It was our commander of the SIU, Ivan Reyes Azarte.

16 Q. Do you see Mr. Reyes Azarte in court today?

17 A. Yes. He's seated at the table in his orange jumpsuit.

18 MR. SU: Your Honor, may the record reflect the
19 witness has identified the defendant?

20 THE COURT: I'm not sure it needs to, but it will.

21 BY MR. SU:

22 Q. When you refer to him as the commander of the SIU, what
23 does that mean?

24 A. That means he was the highest ranking person in the
25 Mexican federal police in charge of our sensitive

1 investigative unit who are select federal police units that we
2 were working with.

3 Q. And did Mr. Reyes also undergo training at Quantico like
4 the rest of the SIU members?

5 A. Yes.

6 Q. During the investigation, did you learn of a meeting that
7 was supposed to take place between the targets of the
8 investigation on September 8th of 2016?

9 A. Yes.

10 Q. How did you learn about this meeting?

11 A. I was contacted by the Chicago case agents, the DEA case
12 agents who told me that they were intercepting information on
13 the phones about a meeting that was going to occur in Polanco,
14 which is an exclusive area in Mexico City, and they were
15 requesting that we cover the meeting or try to have somebody
16 do surveillance of the meeting to verify which targets were
17 there at the meeting.

18 Q. On that day, did you ask the defendant to assist in
19 surveillance of this meeting?

20 A. Yes. I reached out to Ivan to ask him to help out with
21 the surveillance. Typically, when these things come up, we
22 don't have a lot of time to try to get a surveillance team
23 over there, so I was scrambling to try to get help and seeing
24 if they could cover the meeting in Polanco. And with traffic
25 in Polanco and Mexico City, it's difficult to get people over

1 to areas quickly.

2 Q. Can you please flip to Government Exhibit 2? What's the
3 date of the conversation listed there?

4 A. September 8th, 2016.

5 Q. And who's participating in this conversation?

6 A. I am, with Ivan.

7 Q. Can you briefly describe what's going on in this
8 conversation?

9 A. This is some text messages that I was sending to Ivan
10 informing him of where the meeting was going to take place.
11 And this is conversation I was trying to have with him while I
12 was -- you know, part of what I typed, and then I was also
13 driving, so part of it, I would call him on the phone. But so
14 some of this was, this here is my reaching out to him in the
15 written form saying what I'm asking, if he can help us with.

16 Q. So for example, that first highlighted sentence, you were
17 referring to the investigative targets meeting at
18 Sonora Grill?

19 A. Yes. The Sonora Grill was the restaurant. It's a
20 high-end restaurant there in Polanco where the targets were --
21 said they were going to be meeting according to Chicago.

22 Q. And towards the bottom of the page, you mention the
23 apartment for the targets.

24 A. Yes. And I did that because I wasn't sure if they were
25 going to be able to get there in time to cover the meeting, so

1 I wanted to increase the chances that we'd be able to pick up
2 the targets. And so we believed they were living at that
3 apartment which was not far from the restaurant, and we had
4 that information.

5 So I was also sharing that information with Ivan so
6 that perhaps he could send some team members over to that
7 address either before or after and then other members to the
8 restaurant to see if, between the two locations, they could
9 observe the targets.

10 Q. And if you flip to Page 2, you sent a photograph to the
11 defendant. Do you recognize that photograph?

12 A. Yeah. That's a photograph of Geronimo Gamez and Vazquez
13 meeting in Cancun several months before this surveillance was
14 being requested. But that was a photo that I had sent to Ivan
15 in order to try to direct him to who he was looking for, and I
16 was telling him to look for the guy in the middle who I
17 believed was going to be at the restaurant.

18 And so I wanted him to have a picture of the face so
19 that he could -- he could be able to look for that person at
20 the restaurant or his team could.

21 Q. So this picture was originally taken in Cancun several
22 months ago. Do you have a specific month?

23 A. Yes. I believe it was in April. And so as I said, I had
24 been working this case for a while with Chicago, but I had not
25 been really working it with the SIU Mexico City at that time

1 yet until this night where I was asking for surveillance help.
2 But we had worked with another Mexican -- or SIU team that was
3 in Cancun, with our office in Cancun so they could try to
4 cover this meeting. So I already had this picture, and so
5 then I reached out to Ivan to use it to see if he could help
6 us with this new surveillance that was occurring in Mexico
7 City.

8 Q. And so did Ivan Reyes participate in the SIU Cancun
9 operation that resulted in this photo being taken?

10 A. No. He wasn't involved in that, in that one. And that's
11 typical because with so much going on around the country,
12 sometimes SIU may work on other things or partner -- a smaller
13 group of SIU would be working on something, and he wouldn't be
14 necessarily involved with that.

15 Q. And so after you received this photo from SIU in Cancun
16 but before you sent it to the defendant, did you modify this
17 photo in any way?

18 A. Yeah. I always try to be very careful if there's photos
19 that include the informant. So I cropped out the photo where
20 the informant was sitting. And so I zoomed it in or cut out
21 the outside of it so it's just focused on the targets and you
22 can't see the face of the informant.

23 Q. And aside from sending the cropped photograph to the
24 defendant, did you send the photograph to anybody else?

25 A. I did not send the cropped photograph to anybody else. It

1 was only to Ivan.

2 Q. Now, the very next day, did the DEA learn of a leak of
3 information to Geronimo Gamez?

4 A. Yes. I believe it was later on that night, and I didn't
5 find out about it until the morning when Chicago was
6 frantically trying to get ahold of me to tell me, "There's a
7 leak. Somebody's leaking the information that you're passing,
8 and it's going right back to Geronimo, and he's finding out
9 that there's an investigation against him."

10 Q. Can you flip to Government Exhibit 3?

11 What's the date of this conversation?

12 A. September 9th, 2016.

13 Q. And who is participating in this conversation?

14 A. Geronimo Gamez and someone who's communicating from a
15 phone with the screen name of Ayalla.

16 Q. Now, I referred to this conversation. This is actually a
17 copy of a Title III interception of Geronimo Gamez; is that
18 correct?

19 A. Yes.

20 Q. What do you understand Gamez and this person Ayalla to be
21 saying in this conversation?

22 A. Whoever this Ayalla is, is saying, "Watch out, Geronimo.
23 They're listening to you. They're intercepting your phone,
24 and you'd better be careful because they -- they're watching
25 you, and they've got information on you and on your phones."

1 And then the photo that I had sent to Ivan is being
2 sent to Geronimo, the same cropped photo.

3 Q. Is the photo on Government Exhibit 3 cropped in the same
4 way that you cropped the photo in Government Exhibit 2?

5 A. It's, yeah, the cropped version of the photo.

6 Q. If you go to Page 2, can you describe what's going on in
7 that first half of the page that's highlighted, the sentences
8 there?

9 MR. LOPEZ: Judge, shouldn't we read that into the
10 record?

11 THE COURT: Pardon?

12 MR. LOPEZ: Shouldn't it be read into the record?

13 THE COURT: No, we don't want to take the time
14 reading it. I've read it.

15 MR. LOPEZ: I understand that, but for purposes of a
16 complete record unless we just put the whole --

17 THE COURT: Well, we'll put -- yes, these exhibits
18 will be in the record. How is that?

19 MR. SU: So, Judge, I guess at this time, I formally
20 move Government Exhibits 1 through 12 into the record.

21 THE COURT: All right.

22 MR. LOPEZ: Thank you. No objection.

23 THE COURT: They're admitted without objection.

24 (Government Exhibits 1 through 12 received in evidence.)

25 THE WITNESS: Okay. So in this second -- on the

1 second page here, Gamez and the screen name of Ayalla are
2 discussing more about the photo and when it was taken. And
3 it's relayed by the screen Ayalla to Gamez that it's probably
4 around April when the photo was taken.

5 And then he's basically giving him more warning.
6 He's saying, "Be careful. Don't talk to anybody. They're
7 watching you and who you're hanging out with." And so he's
8 telling him to get new phones.

9 And then also of interest in the middle where they're
10 speaking about the targets on the second level of the
11 restaurant, which is unusual because this particular
12 restaurant had two levels.

13 BY MR. SU:

14 Q. And, in fact, Exhibit -- the previous exhibit, did you, in
15 fact, tell the defendant the targets were meeting on the
16 second floor of that restaurant?

17 A. I did. And I only told Ivan that. And I knew that
18 because I didn't want others to know it. I didn't even want
19 him to know it at the time, but I was there on the second
20 level by myself because in the interest of time and not
21 knowing if SIU would get there on time, I went, and I was
22 there on the second level.

23 And so -- but I was trying to -- I was kind of trying
24 to disguise that because I found it better that people not
25 know where I was.

1 Q. So now that the law enforcement found out about this leak
2 to Gamez, what is the effect that this leak had on the U.S.
3 investigation?

4 A. It was devastating. We immediately had to worry about
5 protecting the informant. That was our first concern because
6 he was in danger. We also had to worry about, well, where is
7 this leak coming from? Who is this? How do we stop this?

8 And then, of course, now the targets knew they were
9 being listened to and watched, and so now they were going to
10 take measures to try to not get caught doing something they
11 shouldn't or to, you know, basically avoid being investigated.

12 Q. And, in fact, had the CS -- was the CS scheduled to meet
13 with the targets of the investigation?

14 A. Yeah. This is -- I mean, to us, we were just really
15 grateful that we got this in time because the informant was
16 going to meet with him again and was scheduled and they were
17 hitting him up. Especially after they found out this
18 information, they were trying to contact the informant saying,
19 "We need to meet with you."

20 And so the informant was telling us that, and we
21 said, "No, you can't meet with them. You need to come right
22 now, and we need to find a way to protect you." And so
23 everything switched over to protection of the source and
24 trying to stop the damage to the case and to protect lives.

25 Q. Okay. What kinds of steps, very briefly, did you do or

1 did the DEA do to ensure the safety of the informant?

2 A. We told the informant to turn off their phone. Don't
3 answer any calls. Don't let anybody know where you -- they
4 were, where he was. And then we brought that person to a
5 secure location, told him don't go outside. And then we made
6 arrangements to move the informant to a place far away.

7 Q. Is it safe to say that the informant no longer had access
8 to the targets he had access to prior to the leak?

9 A. Yeah, that's right. The informant was under a lot of
10 pressure because right before turning off the phones, they
11 were like insisting that he come meet with them.

12 Q. And with respect to the wiretap angle of the
13 investigation, how did this leak affect that part of the
14 investigation?

15 A. Well, the normal stuff that they were talking about, the
16 criminal activities that they were talking about, it was -- I
17 mean, they were more concerned about finding out about the
18 investigation now. They weren't talking about the drugs and
19 the things that we were looking for them to discuss openly as
20 they had been earlier, and so it really ruined the normal part
21 of the wire investigation.

22 THE COURT: Do you have any -- had the informant been
23 invited to this meeting?

24 THE WITNESS: Yes. The informant was being invited
25 to --

1 THE COURT: I mean, so he was supposed to go to the
2 meeting and then when you found out they had had a -- there
3 was a leak, then you told him not to go to the meeting?

4 THE WITNESS: Yeah, because, in fact, that was the
5 same informant that they're discussing in the leak.

6 THE COURT: All right.

7 THE WITNESS: And so we saw that, and we're like,
8 "Absolutely not. Don't go to the meeting again." And so the
9 informant obeyed us and did not go to any more meetings with
10 them.

11 BY MR. SU:

12 Q. So in the days following the leak, did the defendant try
13 to find out more information about this investigation from
14 you?

15 A. Yes, he did.

16 Q. If you can go to Government Exhibit 4, it's conversation
17 between yourself and Ivan Reyes on December 13, 2016. Is that
18 right?

19 A. Yes.

20 Q. What's going on, briefly, in this conversation?

21 A. This is just a conversation between Ivan and I. We're
22 writing back and forth. And he's asking me, he reached out to
23 me to ask if we could meet and discuss some case matters.

24 Q. Did you actually meet and discuss?

25 A. We did. We went over to the Starbucks next to the

1 embassy.

2 Q. Going into this meeting, did you tell Ivan about the leak?

3 A. No, I never told him that there was a leak because my
4 first thought was, well, what if it's Ivan? What if Ivan is
5 the one leaking this? So I have to be very, very careful what
6 I say to him from now on. I don't want -- if he is the leak,
7 I don't want him to think that I think -- that I suspect him
8 but at the same time, I have to -- whatever I tell him from
9 here on out, I have to assume that it's possible that he's the
10 leak.

11 So that was how I approached this meeting. And my
12 primary concern was for the safety of the informant. So I
13 even went into the meeting thinking that if we started
14 discussing the possibility of the informant in this
15 investigation that I was going to try to mislead or throw out
16 some kind of misleading information about the informant so as
17 to confuse anybody that might get that information.

18 Q. What, if anything, did Ivan bring to this meeting?

19 A. When he showed up to the meeting, he had a little folder
20 with him, like a little dossier of papers. It looked like he
21 had been doing a little bit of research himself. And from
22 what I remember, it was documents -- because there was another
23 case that was going on with Seattle. There's an investigative
24 unit that's with the Mexican government under the PGR, and
25 they investigate organized crime. And their -- our Monterey

1 office had begun working with them on the target, Angel
2 Dominguez, separately. And so they were up on phones relating
3 to him.

4 And so as I remember, that he had a folder with him
5 that was related to that wire intercept case with the other
6 office and with -- well, the other Mexican office.

7 Q. So it's fair to say he came prepared to talk about
8 Dominguez?

9 A. Yes. And we spoke for a little while, mentioned Geronimo
10 Gamez. And we were talking about Geronimo, and he was asking
11 me, "Well, isn't Geronimo locked up" because Geronimo had been
12 locked up. And so I remember we were talking about Geronimo
13 and other aspects of the case and about -- the informant did
14 come up, and then I tried to mislead him on who the informant
15 might be, just in general like to try to protect the CS.

16 Q. Now, did he ever ask about these topics relating to the
17 U.S. investigation of the Dominguez organization before?

18 A. Before that date, no, no. We had never discussed Angel
19 Dominguez in that -- before that date, but Geronimo Gamez, I
20 had -- we had discussed on the night when I was asking for
21 surveillance help. And so to my recollection, we had not --
22 we didn't start discussing Dominguez until at the Starbucks.

23 Q. And you didn't discuss Gamez with him until the night you
24 asked him for help on the surveillance; is that correct?

25 A. Yeah. Before the surveillance request, I had not spoken

1 to Ivan about Gamez or any of this.

2 Q. Now, during the investigation, did the DEA also intercept
3 additional conversations where Ayalla was expressly outing the
4 CS to Gamez?

5 A. Yes.

6 Q. Can you go to Government Exhibit 5?

7 Is this an interception between Gamez and Ayalla on
8 September 12, 2016?

9 A. Yes, it is.

10 Q. Can you explain the highlighted portion of the bottom of
11 Page 1?

12 A. Yes. So this is the person that's holding the phone that
13 says Ayalla on the screen name telling Gamez, "Don't say
14 anything" because the information is coming from, like, a
15 source of information or a confidential source or an
16 informant.

17 And then he goes on to say that, "The source was
18 actually sitting next to you the day the picture was taken."
19 And so this is very specific information that is being relayed
20 about the source being there at that meeting in Cancun.

21 Q. And so the reference to the day of the picture, is that
22 your understanding, it refers to the cropped-out photo that
23 you sent to Ivan Reyes?

24 A. Yes.

25 Q. Now, during the course of the investigation into the leak,

1 did you review additional intercepts that supported your
2 belief that the defendant was involved?

3 A. Yes.

4 Q. I want to ask you some questions about some of those, if
5 you can flip to Government Exhibit 6.

6 A. Okay.

7 Q. What is the date of this conversation and who's
8 participating?

9 A. October 17th, 2016, a conversation between Gerardo Vazquez
10 and Angel Dominguez.

11 Q. Now, why is this conversation significant in the leak
12 investigation?

13 A. This is significant because these were the partners of
14 Geronimo Gamez from the other conversation we just looked at,
15 and Dominguez was really the big boss in all of this. And so
16 they're discussing someone that they refer to as "the Jewish,"
17 in Spanish "Judio," and they're asking if -- or they're
18 discussing if the Jewish can help them out with this. So
19 that's kind of the nature of this particular conversation.

20 Q. Do you have an understanding of who the Jewish, or
21 El Judio, is?

22 A. Yes. That's the guy that we knew that worked closely with
23 the Beltran Leyvas. His name is Ismael Coronel Sicairos. And
24 it was also known as Judio or Jewish and Bufalo. Those were
25 his nicknames.

1 And then you can see in the conversation before me
2 that they're discussing going to this person to get help to
3 see if that person can help them in conversations and
4 negotiations with Ivan.

5 Q. And based on prior investigations into the Beltran Leyva
6 organization, do you have an understanding of Mr. Sicairos,
7 what his role was within that organization?

8 A. Yeah. His role within the organization was, after the
9 Bravo brothers or the Pineda Villa brothers were killed
10 because of betraying Chapo, betraying Beltran to Chapo, the
11 replacement was Ismael Coronel Sicairos. And so his job was
12 to coordinate with corrupt Mexican police officers and public
13 officials and the Beltran Leyvas and try to recruit them or be
14 like an intermediary with them.

15 Q. And the last --

16 THE COURT: Remind me who Palamo, Paloma was.

17 THE WITNESS: So this is help out with Paloma. So
18 Paloma specifically is someone that's going to -- we don't
19 know exactly who Paloma is, but it's presumably someone within
20 the federal police.

21 BY MR. SU:

22 Q. So the last four lines of Government Exhibit 6, Vazquez
23 says -- asks Ivan for a meeting, calls him the boss. Do you
24 have an understanding of who they're referring to there?

25 A. Yes. So the last part of the conversation is that they're

1 focusing on Ivan who is the boss of the SIU, and so they're
2 talking about -- Paloma, your Honor, would have been somebody
3 that Ivan's chain above him, is presumably is what this
4 conversation is saying.

5 Q. And with respect to the specific references to "Ivan" and
6 "the boss," you understand that to be a reference to the
7 defendant, Ivan Reyes?

8 A. Yeah. When they're talking about Ivan and the fact that
9 he's the boss, it's because they understand he's the boss over
10 the DEA vetted unit, or the Mexican unit that interfaces or
11 coordinates with DEA.

12 Q. Now, can you flip to Government Exhibit 7? What's the
13 date of this conversation and who's participating?

14 A. October 20th, 2016. It's a conversation with Gerardo
15 Vazquez, also known as Pulpos, and Angel Dominguez.

16 Q. Now, why is this conversation significant in the leak
17 investigation?

18 A. It's significant because again, they're talking about Ivan
19 and talking about him attending a class which would have been
20 common during this time for Ivan to be receiving training
21 in -- as a federal police officer, they regularly go to
22 training courses. And then further, they go on to speak about
23 how they can blackmail Ivan in case he doesn't want to work
24 with them.

25 And then they bring up what they say is "the Bel

1 files" which to me, that's the Beltran files, Beltran Leyva
2 files. And they're discussing a history that they know about
3 Ivan having worked with the Beltrons and how they can
4 basically use that to their advantage to get him to work with
5 them, too.

6 Q. So is it your understanding that talking about Ivan coming
7 up in the Bel files with a code, that that references that he
8 is associated with Beltran Leyva documents under a code name?

9 A. Yes. So usually, you know, when they're talking about it
10 this way, they'll be talking about some kind of police files
11 or records where they would have had information on the
12 Beltran Leyvas, and then the code name would have been a
13 nickname for Ivan that would have been known, that would have
14 been documented in those police files.

15 Q. Now, during the course of your investigation, did you
16 learn that defendant did go by a particular nickname?

17 A. Yes. I learned in the investigation as we started looking
18 into this more closely that he was known, Ivan was known as a
19 nickname "La Reina."

20 Q. And where did you learn that?

21 A. I learned that from studying the reports and also from
22 later on, we had interviews with Ivan which --

23 MR. LOPEZ: Objection.

24 THE COURT: Overruled.

25 BY THE WITNESS:

1 A. We had interviews with Ivan in which he admitted that he
2 was known as La Reina.

3 MR. LOPEZ: Objection. He's talking about a proffer.

4 THE COURT: What?

5 THE WITNESS: No, that was not a proffer. That was
6 an interview that we had with Ruben Garcia, Special Agent
7 Ruben Garcia. It occurred. I was standing outside the door.
8 I had spoken to Ruben about this. Ruben is a very close
9 friend with Ivan. And during that meeting with Ruben and
10 Ivan, Ivan -- I can talk more about that, but specifically to
11 this right now, he said that he was La Reina.

12 BY MR. SU:

13 Q. And we'll get more into depth in that meeting in a little
14 bit. But going back to Government Exhibit 7, the highlighted
15 reference to somebody named Bufalin, do you have an
16 understanding of who that's referring to?

17 A. So that's another -- like a derivative of the word Bufalo,
18 which was the nickname of Ismael Coronel Sicairos, who had
19 that -- as I described earlier, had a long-time relationship
20 with the Beltrans and as being a liaison between the Beltrans'
21 group and the corrupt police officers.

22 Q. At the bottom of Page 1 when Dominguez references "the
23 dirtbag," what's your understanding of that?

24 A. When they're talking about the dirtbag on this page, I
25 believe they're talking about the actual informant.

1 Q. Now, if you can go to Government Exhibit 8, which is
2 interceptions of Vazquez on October 20th, 2016.

3 A. Yes.

4 Q. What is your understanding of the references to "Pato"?

5 A. Pato is going to be another nickname that they decide they
6 want to call the Jewish instead of calling him "the Jewish."

7 And this makes sense because Corone1 Sicairos had been
8 arrested, and it was very public that he was known as the Jew
9 or Judio.

10 And so this conversation or this part of this
11 conversation indicates to me that they were aware that that
12 might not be a good nickname to continue calling Corone1
13 because that was something that law enforcement or other
14 people might know who they're talking about, so they decided
15 to call him Pato instead.

16 Q. And before when we were talking about Bufalin, Buffalo, is
17 that also your understanding that that's a reference to
18 Corone1 Sicairos?

19 A. Yes.

20 Q. So please turn to Government Exhibit 9. And this is an
21 October 26th, 2016, conversation between Dominguez and
22 Vazquez; is that right?

23 A. Yes.

24 Q. And what do you understand them to be saying in this
25 highlighted portion?

1 A. So it's -- to me, they're saying can Pato finally see Ivan
2 this week. So they were trying to put together this meeting
3 with Corone! Sica!ros and Ivan.

4 Q. Ivan Reyes?

5 A. Yes, Ivan Reyes.

6 Q. And if you can, go to Government Exhibit 10. Is this a
7 conversation between Dominguez and Vazquez on October 26th,
8 2016?

9 A. Yes.

10 Q. Can you describe why this conversation is significant in
11 the leak investigation?

12 A. Well, they're again strategizing on how they can get out
13 of this mess that they're in or fix the problem. And so
14 they're saying that Ivan could have a lot more information
15 about them and what the case is that the government has
16 against them, so it's important for them to try to have more
17 contact with Ivan and get with him to find out what that
18 information is. So they're arranging to see if they can have
19 more contact with Ivan.

20 And then they assume -- it says in here that if they
21 can get his help that they might be able to figure out a plan
22 against the informant to try to smear him or to pin some fake
23 dope loads on him or something to ruin him as a witness -- as
24 a government witness.

25 And then they mention specifically in here that Ivan

1 should be coming over with the gueros. "Gueros" is the white
2 guys. That's the word they use to describe DEA. And so they
3 have an understanding that Ivan is going to be involved with
4 us in that process and that he may be able to assist them in
5 smearing the informant or ruining the case that we have.

6 Q. Now, sir, in January of 2017, did you participate in an
7 interview of Sergio Villarreal Barragan?

8 A. Yes.

9 Q. Does he go by the nickname "Grande"?

10 A. Yes.

11 Q. Who is that person?

12 A. He was a high-ranking official or cartel member who worked
13 very, very closely with the Beltrans, was in charge of a lot
14 of different things for them including coordinating with
15 corrupt Mexican officials on behalf of the cartel.

16 Q. Why was law enforcement interested in interviewing
17 Mr. Villarreal?

18 A. We were interested in interviewing him because he had made
19 prior statements about some of those meetings that occurred
20 with Ivan and with the Beltrans.

21 Q. Now, at any point during that interview with him, did
22 anyone show him the Title III interceptions that you conducted
23 in this case of Gamez, Vazquez, Dominguez, and others?

24 A. No.

25 Q. Did anyone tell him why they were interested in hearing

1 more about Ivan Reyes?

2 A. No.

3 Q. Did they tell him what they suspected Ivan Reyes of doing?

4 A. No.

5 Q. Did anyone promise him a reduction in his sentence in
6 exchange for information?

7 A. No.

8 Q. Now, during the interview, did they show Villarreal
9 various photos of individuals?

10 A. Yes.

11 Q. Did he identify Ivan Reyes, the defendant, in any of those
12 photographs?

13 A. Yes, he did.

14 Q. If you can, go to Government Exhibit 1.

15 A. Yes.

16 Q. Do you recognize this photograph?

17 A. Yes. That's Ivan Reyes.

18 Q. And is that the photo of the defendant that Mr. Villarreal
19 identified in this meeting with you?

20 A. Yes. And it has his initials signed on the bottom.

21 Q. In identifying the defendant, did Mr. Villarreal use any
22 particular nicknames?

23 A. Yes. He knew him as La Reina.

24 Q. Now, during this interview, did Mr. Villarreal discuss
25 Ivan Reyes' involvement in providing information that led to

1 the kidnapping, torture, and murder of a Colombian individual?

2 A. Yes.

3 Q. From speaking to DEA agents familiar with that particular
4 Colombian, was that individual actually a DEA confidential
5 source?

6 A. Yes.

7 Q. And from speaking to those same agents, do you know what
8 kind of information that this confidential source was
9 previously providing?

10 A. Yes. The source was providing information about loads of
11 cocaine that were coming on boats up through international
12 waters from Colombia into Mexico.

13 Q. And from those same conversations, do you know if the CS
14 was, in fact, murdered?

15 A. Yes. The source was murdered.

16 Q. Now, the following month, in February of 2017, did you
17 participate in an interview of the defendant?

18 A. I did.

19 Q. Where did this interview take place?

20 A. At the U.S. embassy in Mexico City.

21 Q. Did the defendant participate in this interview
22 voluntarily?

23 A. Yes.

24 Q. What did he say at the beginning of the interview?

25 A. Well, when he arrived, he said, "I knew this day was going

1 to come. I don't know what took you so long to come speak
2 with me."

3 Q. Who did the defendant identify in this interview as the
4 sole point of contact between the DEA and SIU?

5 A. Himself.

6 Q. During this interview, did he admit that he had met with
7 Angel Dominguez in person?

8 A. Yes, he did. And he said he had met with him around the
9 Dia de los Muertos, which would have been right around
10 Halloween.

11 Q. Of 2016?

12 A. Of 2016, yes.

13 Q. What else did he say about this meeting?

14 A. He said that when he met with Angel Dominguez in Polanco,
15 it was an area by Antara, which is an exclusive shopping area
16 there in Polanco, and that they had -- he had gone over there
17 and that he had gotten into a car with Angel Dominguez and
18 with another individual and that they had driven around in
19 circles talking for a while.

20 And they were talking in the car about the Tamaulipas
21 Plaza which at the time and even now and for a long time has
22 been one of the most violent plazas in all of Mexico, that
23 fighting between different groups has occurred.

24 And so Angel Dominguez was talking about basically
25 all the problems in that plaza, was asking Ivan for help in

1 arresting some of his rivals that were violent and said that
2 if we can put my own people in place of the drug trafficking
3 affairs there in Tamaulipas that there would be a lot less
4 violence and everybody would be better off.

5 Q. In the interview, did the defendant say that Dominguez
6 showed him anything in that car?

7 A. Yes. He said that he showed him the picture of that photo
8 in Cancun of the surveillance photo of Geronimo Gamez and
9 Pulpos.

10 Q. And this is the cropped photograph that you had sent to
11 Ivan Reyes?

12 A. Yes.

13 Q. In the interview, did the defendant admit that he knew
14 that Dominguez was a target of the DEA investigation?

15 A. Yes.

16 Q. Did he also admit that he knew about the existence of the
17 U.S. investigation into Gamez and to others?

18 A. Yes.

19 Q. To your knowledge, did defendant report this meeting with
20 Dominguez to anybody at DEA?

21 A. No.

22 Q. Did defendant report to anyone at DEA that he knew
23 Dominguez had this surveillance photograph?

24 A. What was that again?

25 Q. Did he report to anyone at DEA that he knew that Dominguez

1 had the cropped photograph that you had sent?

2 A. No, he didn't tell anybody that.

3 Q. And as the commander of the SIU, should he have reported
4 these things?

5 A. Absolutely.

6 Q. Now, during this interview, did law enforcement ask him
7 about information that defendant had previously been corrupt
8 to members of the Beltran Leyva organization?

9 A. Yes. We asked him about that, said, "Isn't it true that
10 you used to work with the Beltran Leyvas?" And his response
11 was pretty much a nonresponse and acting like he didn't know
12 what was -- why we were asking that.

13 Q. Now, during your investigation of the leak, did you review
14 interceptions corroborating that the defendant had, in fact,
15 met with Dominguez?

16 A. Yes.

17 Q. If you can, go to Government Exhibit 11.

18 A. Okay.

19 Q. Can you -- this is a conversation from October 31st of
20 2016. Who were the participants?

21 A. Angel Dominguez and Gerardo Vazquez.

22 Q. And then later on, Angel Dominguez and an individual
23 nicknamed Martin de la Vega?

24 A. Yes.

25 Q. Now, how does this conversation corroborate the statements

1 made by the defendant?

2 A. This is a conversation where Dominguez is telling Vazquez
3 basically that he just met with the individual that he was
4 getting information from, and they met in Polanco. And this
5 conversation is on October 31st, Halloween, around the same
6 time that Ivan told me that he had met with Angel Dominguez.
7 And so this is corroborating the statements that Ivan made
8 about meeting with Angel Dominguez.

9 Q. So when Dominguez said "now with the person" and
10 "finishing up the friend," what's your understanding of who
11 the references to "person" and "friend" are?

12 A. To Ivan.

13 Q. Ivan Reyes?

14 A. Yes, Ivan Reyes.

15 Q. Dominguez later tells Martin de la Vega, "I'm going to
16 need two iPhone 7s, one for me, other for the friend." What's
17 your understanding of that?

18 A. Well, my understanding is that he's providing a phone to
19 Ivan and one for himself that they're going to speak
20 exclusively on knowing that the government is trying to
21 intercept their communications. This is a method for them
22 to -- a way for them to try to avoid being -- their
23 conversations being intercepted by the government.

24 Q. And if you can go to Page 2, what's your understanding of
25 the highlighted portions there?

1 A. On the top, it's saying that -- Dominguez is saying that,
2 telling this Martin de la Vega that he's going to give that
3 person \$290,000. He says 290 dollars, but that's typical for
4 traffickers in their conversation to abbreviate the money
5 amounts, the drug amounts. So that would be \$290,000 that
6 he's going to give him.

7 Q. And what's your understanding of who's going to be getting
8 the \$290,000?

9 A. The person that he just met with in this conversation,
10 that he's told him that he's going to give it to Ivan Reyes or
11 to Ivan.

12 Q. Now, did DEA agents meet again with the defendant in March
13 of 2017?

14 A. Yes.

15 Q. Now, I think we -- you had started to describe this
16 meeting, so I'm going to ask you some more specific questions
17 about it. So who specifically from the DEA met with the
18 defendant on that day?

19 A. Special Agent Ruben Garcia.

20 Q. And who is Special Agent Ruben Garcia, and what's the
21 relationship with the defendant?

22 A. Ruben Garcia had worked in Mexico City, and his job in
23 Mexico City as special agent was to work very, very closely
24 with the SIU. And he was close friends with Ivan and worked
25 closely with Ivan on many cases, and so we knew that he had

1 that relationship of trust with Ivan.

2 And since we had already started speaking with Ivan
3 and trying to ask him to do the right thing and come and
4 cooperate, we figured Ruben would be a good person to go speak
5 with him because they had trust. And so I actually went with
6 Ruben over to the hotel, and I waited outside the room. And
7 he had a conversation with Ivan and then relayed to us all the
8 details of the conversation.

9 Q. Now, was Ivan there voluntarily?

10 A. Yes.

11 Q. Now, speaking to Special Agent Garcia, are you aware that
12 the defendant made admissions about corruption of cartel
13 members in that interview?

14 A. I am, yes.

15 Q. Can you describe the individuals that the defendant
16 discussed?

17 A. Well, it was a very emotional conversation, according to
18 Ruben. It was difficult for both of them. He said that Ivan
19 was suicidal and was crying and that Ivan admitted that he had
20 met with Arturo Beltran Leyva in the past.

21 In fact, he went on and asked Ruben, "Are you going
22 to have to tell anybody that I met with Arturo Beltran?" And
23 Ruben told him yes.

24 Ruben described to me that when he heard that with
25 his own ears that Ivan had been meeting with Beltran

1 personally that it was like getting punched in the stomach and
2 that it was -- it was very, very difficult to hear that, to
3 know that one of the most wanted men in the world and most
4 violent, notorious criminals in the history of drug
5 trafficking was talking to our SIU commander and that there
6 was a relationship that they had.

7 Q. So I want to focus a little bit on that. So because of
8 Arturo Beltran Leyva's status as being violent and one of the
9 most powerful narco traffickers, how would you have expected a
10 non-corrupt Mexican police officer -- official to have acted
11 if he was able to have met with Arturo Beltran Leyva?

12 A. Well, if the person was honest, they would be reporting
13 that to their chain of command, signing all the bells and
14 whistles to make it known that that was occurring because
15 that's such an important thing. That would be like any agent
16 meeting with Chapo Guzman.

17 Q. And based on your training and experience, would these
18 cartel leaders have met with a police officer they did not
19 trust?

20 A. There's no way they would have done that, and there's no
21 way an officer that didn't trust that he was going to be okay
22 would go alone and not tell anybody beforehand because, I
23 mean, if there was any kind of undercover operation or
24 informant relationship thing going on, you would certainly
25 want your team to know what you were doing so they could

1 protect you if something went wrong.

2 And so on both sides, that meeting never would have
3 occurred unless there was trust. Very, very few people would
4 have had an audience with Arturo Beltran Leyva.

5 Q. And so did the reason that Special Agent Garcia viewed
6 this admission as a punch to the stomach, is that because he
7 viewed it basically as an admission that the defendant had
8 been corrupt to Arturo Beltran Leyva?

9 A. Yes, and a betrayal to all the things that they had worked
10 together for. They had been in gun battles together under
11 attack, Ruben and Ivan, and it was a very close relationship.
12 People had died together. And so to hear that he had been
13 meeting with Arturo Beltran Leyva was just unconscionable.

14 Q. In this interview, did the defendant also admit to meeting
15 with other cartel members?

16 A. Yes.

17 Q. And who were those?

18 A. He admitted to meeting with Judio, or Ismael Coronel
19 Sicairos, and the Borrados, or Mario and Alberto Villa Pineda.

20 Q. So who exactly are Borrado and Mario Pineda Villa?

21 A. They were in charge of working for the Beltran Leyvas and
22 recruiting and paying and acting as intermediaries with the
23 Mexican law enforcement and corrupt officials.

24 Q. Can you -- I'm sorry. In this interview, did the
25 defendant also admit to using a particular nickname?

1 A. Yes. He and Ruben talked about -- Ruben told him, "They
2 know that your nickname is La Reina." And Ivan admitted, yes,
3 he conceded, yes, that was true.

4 Q. And just to clarify, in this interview, he talked about
5 meeting with Arturo Beltran Leyva, Alberto Pineda, and Mario
6 Pineda. He did not actually talk about meeting with Sicairos,
7 is that correct, in this particular interview?

8 A. In this particular one, just with the Borrados and with
9 Arturo.

10 Q. Now, I want to ask you about the defendant's interactions
11 with other cartel members including with Angel Dominguez.
12 First, are you aware that the defendant has participated
13 previously in an operation concerning an individual nicknamed
14 Macho Prieto?

15 A. Yes.

16 Q. Who was or who is Macho Prieto?

17 A. Macho Prieto is a high-level lieutenant for the Sinaloa
18 Federation, specifically working with Mayo Zambada -- I'm
19 sorry? Ismael Zambada Garcia, also known as Mayo Zambada. So
20 he was one of the heads of -- he was partners with Chapo
21 Guzman. The two of them were the co-heads of the Sinaloa
22 cartel for probably the longest stretch of time, still is the
23 head of the Sinaloa cartel.

24 So anyway, Macho Prieto worked for Mayo and was his
25 head of security, was in charge of basically fighting wars or

1 battles with any other cartels such as the Beltrans who were
2 their archenemies at a certain point.

3 Q. And so from speaking to agents who participated in a
4 capture operation of Macho Prieto, do you know what happened
5 to him?

6 A. Yes. Macho Prieto -- actually, Ivan was in charge of that
7 operation with SIU working with Ruben Garcia. And in that
8 attempt to capture Macho Prieto, it was a huge gun battle, and
9 Macho Prieto was killed during the capture attempt.

10 Q. Are you also aware that the defendant has participated in
11 a capture operation of Edgar Valdez Villareal, a/k/a La
12 Barbie?

13 A. Yes. Ivan was also one of the bosses over the Barbie
14 capture.

15 Q. And who was Barbie?

16 A. La Barbie was also a high-ranking Beltran figure, a
17 member, lieutenant. And at the end, before he was captured,
18 he betrayed the Beltrans and tried to kind of break off and
19 form his own group and with intentions to actually take over
20 the Beltran Leyva cartel. And when Hector Beltran figured out
21 that that was going on, he wanted to get rid of La Barbie
22 because he betrayed them.

23 Q. And from speaking to DEA agents who participated in that
24 investigation or that operation, do you know what happened
25 with Barbie?

1 A. Yes. So Barbie was captured by the SIU and by Ivan's
2 group --

3 Q. And specifically --

4 A. -- the capture operation.

5 Q. Specifically, from speaking to those agents, do you know
6 what happened during that operation?

7 A. Yes. So in speaking with agents that were close to the
8 operation, in charge of the operation, they said that some of
9 the SIU members recalled that when they found Barbie, that
10 Ivan had actually fired shots at him, tried to shoot him, but
11 that Ivan wasn't a very good shot and so he didn't hit him.
12 But then eventually, everybody was there, and Barbie wasn't
13 resisting and didn't try to retaliate, and so they just took
14 him into custody.

15 Q. With respect to Dominguez, based on your training and
16 experience working in DEA Mexico City with Mexican
17 counterparts, do you believe that meeting with a high-level
18 cartel target like Dominguez, providing information, getting
19 paid for that information, is commonplace?

20 A. No. It may be commonplace with corrupt officials, but
21 it's not common for someone that is trying to do the right
22 thing to meet with him.

23 Q. And what would DEA do if it knew that an SIU member was
24 meeting with cartel leaders, members, and giving them
25 information?

1 A. Well, we'd -- we would fire them. We'd try to vet that
2 information out, see if it's true because there's accusations
3 made all the time. But if we knew beyond doubt and certainty,
4 had very good reason to believe that that was true, we would,
5 number one, get that person removed from our SIU, and then we
6 would try to prosecute that individual if possible.

7 Q. And as an agent working on the investigation of Dominguez
8 and his drug trafficking organization, would you have wanted
9 to know that the defendant had met with Dominguez in person?

10 A. Yes. That would have been critical because we were trying
11 to capture him.

12 Q. Was there any legitimate law enforcement purpose for the
13 defendant to have possibly met with Dominguez?

14 A. Not that I can think of under the circumstances.

15 Q. And why is that?

16 A. Because at this time, Angel Dominguez was one of the most
17 powerful drug traffickers in Mexico. He was conspiring to
18 take over half of the country and working with several other
19 groups that had lost their leadership. He was a threat to the
20 national security of Mexico and the United States. And so I
21 wouldn't expect anybody would have met with him directly and
22 not informed others about that.

23 Q. And also, specifically with respect to how Mexican law
24 enforcement officers operated, was there any legitimate reason
25 for the defendant to have met with Mr. Dominguez?

1 A. No. Typically, it's a little different in Mexico from
2 what I understand because their officers don't typically run
3 sources and don't do undercover like we do in the United
4 States. So we have relationships with informants, and we run
5 them, so to speak, or direct them, but that same type of
6 activity doesn't really occur with the Mexican police in the
7 same way, so that would be very unusual. It's very normal in
8 the U.S. but not normal or commonplace for that to be
9 happening in Mexico in the same way.

10 Q. And so even if it were the case that he was meeting with
11 Dominguez for some conceivable legitimate reason, what would
12 the defendant have done before actually taking that meeting?

13 A. Well, to protect himself, he would have informed his
14 superiors or his SIU team members so they could try to protect
15 him if something went wrong, or if it was a surprise meeting,
16 he certainly would tell someone afterward immediately to see
17 if he could take the next step to, number one, to clear
18 yourself of any future accusations that you might have been
19 doing something you shouldn't and also to further the
20 investigation and try to capture that individual, which in
21 this case he was a fugitive.

22 Q. And to your knowledge, did he take any of those steps?

23 A. No.

24 Q. I just want to take a step back and ask you some -- a few
25 questions. So first of all, with respect to Dominguez, are

1 you aware that there was, in fact, a provisional arrest
2 warrant out for him at the time of --

3 A. Yes.

4 Q. -- the meeting?

5 Now, with respect to the overall investigation into
6 the leak, can you describe the extent of the resources that
7 were spent in investigating this leak and defendant's role in
8 that?

9 A. Yeah. This was -- this was really devastating to DEA
10 Mexico because we have all worked very, very hard to establish
11 relationships with the Mexican government. We had many, many
12 good things happening with them. And so when this -- this
13 happened, it really damaged everything we were working for and
14 had worked together for so long to accomplish and put a haze
15 over a lot of the successes that we had had and caused us to
16 have to ask questions about, is there anybody else, what else
17 is going on. And so all of these things led to -- it
18 interfered with investigations going forward.

19 I know for my own part, I just completely stopped
20 coordinating with him on any of the cases, and yet at the same
21 time, there were many good officers over there. And we had to
22 remove many of them just because at this point, we didn't know
23 exactly how deep the leaks ran and so we had to, you know,
24 remove a lot of people. Some may not have been even, you
25 know, guilty, but we just had to remove them from those

1 positions and find new people.

2 This set us back incredibly because all the casework
3 stopped, and we were focused on damage control and on safety.
4 Who -- I mean, our family's in danger now. I mean, these
5 individuals could easily find out where my family was. And
6 they knew what car I drove. And so it was a very, very
7 difficult time for all of us.

8 Q. And how did this leak affect the specific investigation
9 into the Dominguez drug trafficking organization?

10 A. Well, it basically ended the collection of any new
11 evidence of drug trafficking and just focused on, how can we
12 get him into custody as quickly as possible. And it set us
13 back because now people knew we were coming after them.

14 And so the chances of trying to capture diminished,
15 although we were successful, but it made it so we had a really
16 hard time capturing Gamez and Pulpos who were on the run. So
17 it was really, really difficult.

18 Q. Is it fair to say that law enforcement had to shift their
19 resources away from investigating this drug trafficking
20 organization into finding out, you know, the extent of the
21 leak?

22 A. Yeah, that's absolutely true, and not to mention the
23 political repercussions and the damaged relationships and
24 trying to preserve what we had built with our Mexican
25 counterparts, many of whom are heroes and good people. And so

1 it was just a real tragedy.

2 Q. And with respect to investigating the defendant's role in
3 the leak, is it fair to say that significant resources were
4 expended in that investigation?

5 A. Oh, yes.

6 Q. And in fact, people, law enforcement officials flew down
7 to Mexico several times to interview the defendant; is that
8 right?

9 A. Yes. I mean, flying people back and forth, putting
10 informants into protection, all of these things cost a lot of
11 money.

12 Q. And I think you touched on this regarding how defendant's
13 conduct affected the safety of agents in DEA Mexico City. Did
14 it also affect your safety personally?

15 A. It did. And one of the most sobering things about this
16 for me is that on the night that I was trying to get Ivan's
17 help to go and do the surveillance -- I normally don't do
18 surveillance in Mexico because we usually just ask other
19 people to do it. It's not recommended that we do it, and we
20 try to abide by that. But given the circumstances and not
21 knowing if they were going to get over there in time, I went
22 personally over there.

23 And I was in the restaurant. And I rode up the
24 elevator. And by chance, I rode up in the same elevator with
25 Geronimo and Pulpos. It was a very small elevator. I can

1 remember looking at them and thinking, they're probably
2 looking right through me and wondering who I am.

3 Fortunately, we got up to the second level, and they
4 went and seated themselves. I was on the other side of the
5 restaurant. And while this is all occurring, little did I
6 know that within hours, those same people that I was trying to
7 observe by myself in Mexico who have a history of all sorts of
8 violence, that they were being told by my trusted counterpart
9 that we were investigating them.

10 And so thank goodness, I didn't -- you know, that
11 didn't come out faster than that, than it did, but I
12 personally was in danger. And from that moment on until I
13 lived the rest of the time in Mexico, even today, I wonder,
14 you know. There's people that know all about me and know what
15 I was doing, you know.

16 They know -- you know, it was coming from someone
17 that I was trying to protect myself with, someone that I
18 trusted who in some ways had done many good things but after
19 we look back at it, it makes me wonder what was the real
20 reason for that. Was it to just take out rivals?

21 And so it's very, very difficult for me personally
22 and for our agency and -- because agents have been killed.
23 Mexicans have been killed. His own officers have been killed
24 in the line of this work as have Sonorans by the Beltrans.
25 The ones that went there and risked their lives to try to

1 capture Arturo Beltran Leyva, one of the Marines died in that
2 operation.

3 To add insult to injury, within a couple of days,
4 they killed his family, too. They went after his family.
5 That stuff can't happen unless there's corrupt officials that
6 are passing on information. They're leaking what we're trying
7 to do, people standing beside us. And it only takes one or
8 two to put everyone in jeopardy. And this is a real thing.
9 And it happened and played out over and over and over again in
10 Mexico and still does.

11 Q. In your experience -- you know, you've spent many years
12 working with foreign counterparts on cases involving
13 international drug trafficking. Can you just talk about why
14 the trust between law enforcement officers on those types of
15 cases is so important and also why corruption is so damaging
16 to that trust?

17 THE COURT: I think he's explained this already. I
18 mean, it's pretty obvious what the problem is, so maybe we can
19 move on.

20 MR. SU: Your Honor, may I have a moment?

21 THE COURT: Yes.

22 MR. SU: Judge, I have no other questions.

23 THE COURT: How long will the cross be?

24 MR. LOPEZ: Half hour.

25 THE COURT: All right. We'll take a recess until

1 1:30. Then we'll have the cross.

2 (Recess from 1:07 p.m. to 1:34 p.m.)

3 THE COURT: Mr. Lopez, it's your turn.

4 MR. LOPEZ: Yes, Judge. I'm waiting for my client to
5 get audioed up, Judge.

6 THE COURT: That's right.

7 CROSS-EXAMINATION

8 BY MR. LOPEZ:

9 Q. Good afternoon, sir.

10 A. Good afternoon.

11 Q. Sir, when we looked at -- in the government's exhibits --
12 do you have the government exhibit book before you?

13 A. Yes.

14 Q. And we had the -- when we looked at Exhibit 2, that was a
15 conversation between you and Ivan Reyes who you knew; is that
16 right?

17 A. Yes.

18 Q. You told us on direct examination you had worked with him
19 before; is that right?

20 A. Yes.

21 Q. Do you know what year it was that he joined SIU?

22 A. I don't know exactly the year, no.

23 Q. Do you remember what year you met him?

24 A. Yeah. Probably when I first arrived in Mexico City in,
25 like, 2015.

1 Q. And at that time, he was SIU at that time?

2 A. Yeah. He was the commander of SIU.

3 Q. So he was the commander for SIU for the entire time that
4 you knew him; is that right?

5 A. Yes.

6 Q. When you -- when you were talking to him on September 8th,
7 you told us that you wanted his group to surveil the Sonora
8 Grill; is that right?

9 A. Yes.

10 Q. And you were at the Sonora Grill or near the Sonora Grill
11 at that time; is that correct?

12 A. I was on my way to it, and then eventually I got there,
13 but I didn't let him know that I was there.

14 Q. Okay. When -- if you can look at Exhibit 2 when Ivan
15 says, "I've already sent people. We're going to do everything
16 we can to get there. When these things come up, please tell
17 me." What did he mean by that?

18 A. He meant -- because as I mentioned, when I was driving
19 over there, I was also having a phone conversation with him.
20 So in our phone conversation, I mentioned that, weren't you
21 hearing about any of this case from the analyst with --
22 there's an analyst with SIU that -- well, they're a little bit
23 separate, but they work closely together. And so I had
24 coordinated with the analyst and had been coordinated with the
25 analyst for a little -- for some time on this case.

1 So I was telling him, "Hey, aren't you speaking to
2 the analyst that knows about this case?"

3 And he was like, "No, I'm not speaking to that
4 analyst about this case. I didn't know about this case."

5 Q. Okay. But he says, "when these things come up, please
6 tell me," correct?

7 A. Right. And so he was trying to tell me, "Hey, don't talk
8 with them about this stuff. Talk to me." But, in fact, we do
9 both, and he knows that we talk to both of them.

10 Q. Okay. So you talked to the analyst, and then you talked
11 to Ivan, and Ivan indicated that his people were on the way;
12 is that right?

13 A. Yeah. He was -- my understanding at that time was that he
14 was trying to send people over to the location.

15 Q. Now, you indicated to the Court that the area in which
16 this grill is located, there's a lot of traffic there; is that
17 right?

18 A. Yeah. Well, Mexico City in general, there always is,
19 especially around that time. And so, I mean, it would have
20 been true or at least it would have seemed true at the time
21 that it would have been difficult for them to get over there
22 in a timely manner.

23 Q. Okay. And he told you they were going to try to get
24 there; is that right?

25 A. That's what he said, yes.

1 Q. Okay. You didn't see any of the people there from the SIU
2 that day; is that right?

3 A. I didn't see any of them when I was there, no. And my
4 understanding is that they weren't able to make it there when
5 I was there, but if I recall correctly, I think he may have
6 told me later that they -- eventually, they may have gotten
7 there, but it might have been after I was there.

8 Q. And they had -- the people had already left, correct?

9 A. Yeah. And so if I remember correctly, he said, yes, when
10 they got there, they couldn't see them at all.

11 Q. Now, I want to ask you about this photograph that's --
12 that you sent to him.

13 A. Yes.

14 Q. That photograph, you said that you cropped it out so the
15 informant wasn't pictured; is that right?

16 A. That's correct, yes.

17 Q. And Ivan told you during your conversation that, "Yes, my
18 people in Cancun took that photo;" is that correct?

19 A. Yes, but because I think I had told him on the phone --
20 because he didn't know about the investigation, so I had told
21 him in the phone part of the conversation that, you know,
22 "This is -- the photo that I'm going to send you, this is one
23 that your guys did in Cancun."

24 Q. And Ivan had -- when you say one of the -- that his guys,
25 the photo that Ivan's people took had the picture of the

1 informant in it which is not the same photo that you sent;
2 isn't that true?

3 A. Yeah. The one that his people originally took had the
4 informant in there.

5 Q. So he would have access to that photograph with that
6 informant; isn't that also true?

7 A. Not necessarily. And the reason -- would you like me to
8 explain that?

9 Q. No. I'm just asking if he would have access to it. If he
10 took the photograph, what would he do with it, if his people
11 took the photograph?

12 A. Well, a lot of times if it happens in another part of the
13 country, he may never know about it until a later time or may
14 never know about it because he's a boss and doesn't
15 necessarily know everything that the SIU is doing around
16 Mexico.

17 Q. Well, he was familiar with the photo because he said,
18 "Yes, my people in Cancun took that photo," right?

19 A. Right, because I told him in the phone conversation before
20 I sent it that, "I'm going to send you a photo that SIU took
21 months before."

22 Q. And that's what he told you: "My people took the photo,"
23 correct?

24 A. He was reaffirming what I had told him, yes.

25 Q. And the photo that was sent to Dominguez -- or excuse me,

1 to Gamez, that photo looks different than the photo that you
2 sent, doesn't it?

3 A. Yes. The colors are different.

4 Q. And during the conversation --

5 A. The background colors, I should say.

6 Q. During the conversation, it was stated that the photo was
7 taken from a computer, right?

8 A. In which conversation? But yes, I do recall --

9 Q. The September 9th conversation.

10 A. Okay. Yeah. Later, the one between Ayalla and Gamez,
11 they're saying it was taken -- the one that he's sending is
12 taken from a computer, yes.

13 Q. This Ayalla/Gamez transcript from September 9th, 2016,
14 this was a Blackberry Messenger intercept, was it not?

15 A. Yes, I believe so, yes.

16 Q. Do you know when it was that DEA became aware of this
17 conversation on September 9th?

18 A. Well, DEA was the one that intercepted it, so they knew
19 right away. On the 9th?

20 Q. So they would know on the 9th then; is that right?

21 A. Yes. That's why DEA Chicago was trying to get ahold of
22 me.

23 Q. Was it -- were they -- this was a Title III, you said,
24 right?

25 A. In Chicago, yes.

1 Q. Okay. So the Title III would be monitored here in
2 Chicago; is that correct?

3 A. Yes.

4 Q. That was your understanding, right?

5 A. Uh-huh, yeah.

6 Q. On September 9th, DEA had information that it was a person
7 by the name of Ayalla; is that right?

8 A. They saw this new phone Ayalla pop up --

9 Q. Okay.

10 A. -- on the intercepts.

11 Q. This was a new name, though, for this investigation,
12 wasn't it?

13 A. As I recall, yeah. That was -- but it's very common to
14 have a new screen name pop up on intercepts. So the screen
15 name Ayalla is not necessarily the person's name. It's just
16 the screen name that is on the phone.

17 Q. No, I understand that.

18 A. Okay.

19 Q. I understand that. But my point is, that this was a new
20 name that popped up?

21 A. Oh, yes.

22 Q. Whether it was a false name or a true name?

23 A. Yes. That's true, yes.

24 Q. It was someone else that DEA would have interest in or DEA
25 would try to target and try to figure out who it was, right?

1 A. Oh, absolutely, yes.

2 Q. That would be important to your investigation, would it
3 not?

4 A. Certainly, yes.

5 Q. So on September 13th, you had a meeting that you said with
6 Ivan at the Starbucks that was near the -- I think you said
7 near the SIU or near the consulate or the embassy?

8 A. Near the embassy, yes.

9 Q. DEA works out of the embassy?

10 A. Yes.

11 Q. And then on September 12th -- and they're out of order. I
12 should have asked you this. But if you can look at Exhibit 5
13 of September 12th, there's a couple of things that I want to
14 ask you about.

15 A. Exhibit 5. Okay. Yes.

16 Q. Exhibit 5.

17 A. Got it.

18 Q. If you look at the bottom where it's highlighted, "Ayalla,
19 don't say anything because he says the information is coming
20 from a source." Do you remember that?

21 A. Yes.

22 Q. We don't know who Ayalla is referring to at this point, do
23 we?

24 A. To the source?

25 Q. When he says "because he."

1 A. Okay. "Don't say anything because he says" --

2 Q. Yes. Who is the "he"? We don't know who "he" is; is that
3 right?

4 A. By this, no, we don't know what that means.

5 Q. And he says again, "he tells me that the source was
6 sitting with you the day of the picture." You see that, right?

7 A. Yeah, but -- so that source would be the -- our source,
8 the one --

9 Q. Your source?

10 A. Yeah.

11 Q. Okay. And the source that you were talking -- that
12 they're talking about would be the confidential informant that
13 was depicted in the original photo. Is that how I read that?

14 A. Yeah, the one that I cropped out.

15 Q. Okay. So there's a mention to this person that was
16 sitting there; is that correct? And -- yes or no?

17 A. I didn't understand that. Can you repeat it?

18 Q. Let me rephrase it. So in this particular passage,
19 there's a reference to the person that's in the picture that
20 was cropped out by you.

21 A. Yeah, right. The "he" you were talking about.

22 Q. Right, the "he."

23 A. Okay.

24 Q. Now, you haven't been able to identify who Ayalla is; is
25 that right?

1 A. No. With certainty, we don't know, yeah.

2 Q. And it's certainly possible that Gamez would have
3 alternate sources within SIU or other law enforcement
4 divisions. Isn't that also true?

5 A. Oh, yeah, sure.

6 Q. That wouldn't be uncommon, would it?

7 A. I mean, to a -- I mean, it could happen.

8 Q. Okay.

9 A. Yeah.

10 Q. And then you were talking about the Jewish, the Jewish
11 guy, El Judio. Do you remember El Judio?

12 A. Yes.

13 Q. And they talk about Palomo?

14 A. Uh-huh.

15 Q. I think it was your testimony you think that Palomo was
16 someone else within the SIU unit. Was that my understanding
17 of what the answer to the question was?

18 A. Yes. From what I was reading it, possibly -- not within
19 SIU but somebody maybe within SIU would have answered to in
20 the federal police, possibly in the federal police, somebody
21 higher up the chain.

22 Q. Someone who had a contact because --

23 A. Yeah, possibly someone that Ivan worked for, one of the
24 bosses.

25 Q. And then --

1 A. Or maybe with PGR, but someone higher up.

2 Q. And then it goes on to say, "Ivan is Palomo's people,"
3 right?

4 A. Yes.

5 Q. "And that's why we thought of him." Now, the "we," is it
6 your understanding from the passage here that "we" means
7 Vazquez and Dominguez thought about reaching out to Ivan for a
8 meeting?

9 A. Yeah, yeah.

10 Q. In fact, that's what they said? "The man we saw already
11 asked Ivan for a meeting," correct?

12 A. Uh-huh.

13 Q. So from this passage, it looks like Vazquez or others went
14 to see somebody and asked that person to set up this meeting
15 with the boss; isn't that true?

16 A. Yes.

17 Q. Okay. And then in Exhibit 7, on October 20th, the
18 conversation between Vazquez and Dominguez, they basically are
19 discussing the fact that they can control Ivan because they
20 have information on him; is that right?

21 A. Right, about the Beltran files.

22 Q. So they're saying that they have enough information where
23 he would be fucked if they provided it to somebody, correct?

24 A. Yes.

25 Q. And this information was discussed between Vazquez and

1 Dominguez, right?

2 A. Yes.

3 Q. Both targets of your investigation, correct?

4 A. Uh-huh, yes.

5 Q. So it was your understanding, in case Ivan said he didn't
6 want to work with them that they could tell Ivan that, we can
7 provide information?

8 A. Yeah. Like if he wanted to back out or something like
9 that, that they could use this information to force him to
10 continue cooperating.

11 Q. And that's what they're talking about. They're talking
12 about the fact that they have this information, and if he
13 wants to go in a different direction, they're going to
14 threaten him with this information. That's kind of a summary
15 of what they're saying; isn't that true?

16 A. Yeah, uh-huh.

17 Q. When these intercepts are occurring, are you being briefed
18 by DEA in Chicago that these things are occurring on this
19 investigation?

20 A. Yes.

21 Q. And did anybody at any time decide to put Ivan Reyes under
22 surveillance to see if he was meeting with anybody?

23 A. Well, yes, we discussed this numerous times to see how
24 might we be able to figure out what he's doing. And so -- but
25 it was super tricky because how do we surveil a guy whose team

1 is usually the one that we use for surveillance. And so it
2 was really tricky to figure out how are we going to do this.

3 Q. So nobody ever followed Ivan to see if he was meeting with
4 anybody. That's the bottom line, right?

5 A. Followed physically?

6 Q. Physically, yes.

7 A. No.

8 Q. Did you have an electronic tracker on him?

9 A. No, because that would have required his team to be
10 putting in the tracker on his car.

11 Q. DEA works in Mexico, really doesn't have any jurisdiction;
12 isn't that correct?

13 A. To act unilaterally, no.

14 Q. You have to -- I mean, you are -- you can't arrest people
15 on your own down in Mexico, can you?

16 A. Yeah, that -- unilaterally, we couldn't. We just have to
17 work with them to make the arrest.

18 Q. So you're kind of working there in Mexico with their
19 permission, so to speak --

20 A. Yes.

21 Q. -- would that be accurate?

22 A. Yes.

23 Q. An accurate summary?

24 A. Oh, yes.

25 Q. I'm not trying to downplay it, but it's with their grace

1 that they're allowing you to work in their country --

2 A. Oh, absolutely, yeah. We depend on them and their
3 cooperation.

4 Q. And in order to work down in Mexico then, you're kind of
5 forced to work with different organizations of the Mexican
6 government; is that true?

7 A. Right. And that's why we try to have, like, SIU and
8 certain units that we can maybe control the flow of
9 information.

10 Q. Okay. And you were working, you said, you mentioned some
11 operations that Ivan was on, right?

12 A. Yes.

13 Q. He worked with DEA for a number of years down there; is
14 that correct?

15 A. Yes.

16 Q. In SIU; is that right?

17 A. Yes.

18 Q. He was able to bring forth evidence and other things to
19 DEA about suspected targets; is that correct?

20 A. Yes.

21 Q. He was able -- you said that he participated in the arrest
22 of La Barbie and others, is that also correct?

23 A. Correct.

24 Q. He shared a lot of information with DEA about things that
25 he found out about certain targets in Mexico; is that right?

1 A. Yes.

2 Q. The only thing that you've been able to really trace back
3 to Ivan now is this Beltran connection and this Vazquez
4 connection -- this Dominguez connection; is that correct?

5 A. That's the only thing I've been able to trace?

6 Q. Right. These are the two things you've been able to
7 trace, that you have this Beltran issue and this Dominguez
8 issue; is that right?

9 A. Those are the main issues that I've been able to trace.

10 Q. And again, these --

11 A. At the moment, but there are possibly many, many other
12 things that didn't rise yet to the level where...

13 Q. No, I understand that. I mean, it could be any -- it
14 could be many different things or nothing; is that right?

15 A. Yeah. From -- basically, what I've done in my research of
16 Ivan, I now think that there's a lot more, but that's what
17 we're concerned with today.

18 Q. Ivan came to the United States voluntarily, didn't he?

19 A. Yes, he did.

20 Q. And that was after meeting with -- I forget the name of
21 the agent that you mentioned.

22 A. Ruben Garcia.

23 Q. Ruben Garcia, right? He had some meetings with Ruben
24 Garcia. I think that you said that one of the meetings,
25 either you were present or you could overhear what they were

1 discussing. Am I correct about that?

2 A. I was present at the first meeting, and then the meeting
3 with Ruben, I was just nearby.

4 Q. And during the first meeting that you had with Ivan, he
5 wasn't under any obligation to even speak or answer any
6 questions to DEA at that point, was he?

7 A. No.

8 Q. He did it voluntarily; is that right?

9 A. Yes.

10 Q. He came to the meeting; is that right?

11 A. Yes.

12 Q. He didn't ask for a lawyer; is that right?

13 A. Yes. After we contacted him, he came.

14 Q. During these discussions you had with Ivan, in this first
15 conversation, you made it clear to Ivan that there was an
16 investigation in the United States; is that right?

17 A. Yes.

18 Q. And that he was a target of the investigation for
19 obstruction of justice; is that correct?

20 A. Yes.

21 Q. You kind of outlined and laid out, maybe not all of the
22 case, but some of the things just so that he knew that you
23 knew; is that right?

24 A. Yes.

25 Q. And that's a proper investigative technique you use with

1 many targets; isn't that true?

2 A. Correct.

3 Q. And after you laid all of this out, Ivan had agreed to a
4 second meeting; is that right?

5 A. Yes.

6 Q. The second meeting with the other agent.

7 A. I don't know if at the moment he said, "I'll come back
8 later" or if it was just, you know, we -- but he did, yeah.
9 He came in a couple times, yes.

10 Q. He came in a couple -- he didn't try to become a fugitive
11 or to run away from the issue; is that right?

12 A. No.

13 Q. In fact, when he was confronted about coming to the United
14 States, he actually flew up in an airplane with the DEA agent
15 to turn himself in, right?

16 A. Yeah, after some convincing, yes. It took some
17 convincing.

18 Q. He wasn't under any obligation to do that, was he?

19 A. No.

20 Q. You didn't have an arrest warrant out of Mexico to grab
21 him and put him in custody, did you?

22 A. No. That was part of what we spoke to him about, is that
23 this would be easier for everyone.

24 Q. And he did it voluntarily then; is that correct?

25 A. After taking time to think about it and after we spoke to

1 him and used -- and had Ruben go speak to him about it, yes.

2 Q. Okay. And, in fact, Ruben brought him here; is that right?

3 A. Ruben escorted him, yes.

4 Q. He escorted him here to the DEA, and he was placed into
5 custody here in the United States; is that right?

6 A. Yeah. That part of it, the whole thing started off great,
7 in a sense.

8 Q. You said you did at one point seek his cooperation; is
9 that right?

10 A. Yes.

11 Q. And he did not want to cooperate out of fear; is that
12 right?

13 A. He started to a little bit but then backed off.

14 Q. He was going to be charged whether he cooperated or not,
15 don't you think?

16 A. Yes, possibly charged more initially if he wasn't going to
17 cooperate. If he stayed in Mexico, he may have been charged
18 with more. I don't know. I definitely know we were thinking
19 about that.

20 Q. During one of the conversations, the initial conversation
21 that you had with Ivan on March 8th, was that the one that --

22 A. That was Ruben's conversation.

23 Q. With Ruben, right. That's the one where Ruben told you
24 that Ivan was very upset; is that right?

25 A. Yeah. That is when I was sitting outside in the lobby of

1 the hotel, and they were in there talking. And he told me
2 that he was suicidal and he was crying and everything about
3 the Beltrans and all that stuff.

4 Q. And he was emotional about it; is that correct?

5 A. Yeah. I think they both were, but my understanding was he
6 was crying.

7 Q. During this conversation, too, Ivan told Ruben that
8 Dominguez showed him the photograph; is that right?

9 A. Yes.

10 Q. And that was the -- that was the photograph that came off
11 the computer; is that right?

12 A. Yes.

13 Q. That wasn't the photograph that you sent to Ivan?

14 A. Yes -- I mean, it's the cropped photo. To clarify --

15 Q. Whether --

16 A. It's the cropped version, but anybody can look at it and
17 say that there's different colors on it but --

18 Q. Right.

19 A. -- there's only one cropped version that I sent to Ivan.

20 Q. That was a bad question.

21 A. Okay.

22 Q. The question is: One photograph, the source was from a
23 cell phone which is a picture from the cell phone, right, that
24 we saw on --

25 A. Yes.

1 Q. -- and the other photograph, there was an explanation that
2 the source of that photograph came from a computer of some
3 sort; is that right?

4 A. The second -- yes. In fact, the reality is they probably
5 both were taken from screenshots but --

6 Q. Different sources?

7 A. Different computers.

8 Q. Right. One from a phone and one maybe from a computer,
9 correct?

10 A. Well, they're both sent by phone, so they had to get on a
11 phone and -- so but they both appear to have been Photoshopped
12 of a computer screen.

13 Q. But it wasn't the original photo with the informant; is
14 that right?

15 A. Only in the sense that it's the cropped photo, that only
16 there was one copy sent to Ivan.

17 Q. But there wasn't -- in the cropped photograph, you can't
18 see the informant, right?

19 A. Yes.

20 Q. And wouldn't it be of much more value to send a photo with
21 the informant in it to a drug trafficker?

22 A. Oh, absolutely, if they had that, but if you're operating
23 with what you have just gotten and moving it quickly over to
24 them, then the other photo might be harder to get at, and they
25 kind of monitor -- when you're trying to get to the other full

1 photographs, it might be harder to do at SIU, and there might
2 be ways for them to discover that you are trying to look up
3 that photo. So --

4 Q. The bottom line is, you don't know if Ivan had access to
5 the original photo or not; is that true?

6 A. I don't know if he had -- to the one that was uncropped?

7 Q. To the one that was uncropped, the one that has the
8 informant in it. You don't know if he had access to it or
9 not; is that your testimony?

10 A. Yeah, I don't know. I don't know if he had access to it.

11 Q. But he could have or he could not have, nobody knows; is
12 that right?

13 A. Right. I don't know.

14 Q. And presumably, Dominguez would want the photo with the
15 informant in it, is that right, to see who it was in case he
16 didn't remember that he was in that -- where he was at during
17 that photograph?

18 A. That's true, but in the timely manner to get the
19 information quickly to the crooks, I would imagine they would
20 go with what they had at the time, the version they had.
21 Maybe later on, he gave him the one that was discussed in the
22 meeting.

23 The one that he -- the one that was shown at the
24 meeting, I don't know if that was the uncropped one or the
25 cropped one, but I don't know that anybody knows except for --

1 Q. Okay. We don't know how Ayalla got the photo; is that
2 right?

3 A. We don't know how Ayalla got the cropped photo. I think
4 that's -- that's the question for us as the government. We
5 don't know how the cropped photo got because I only gave the
6 cropped photo to Ivan.

7 Q. But we do know again that there's screenshots from
8 different sources?

9 A. Yeah, different screenshots, but they're all of the
10 cropped photo.

11 Q. Okay. Not the original photo?

12 A. They -- well, the original with the informant uncropped,
13 no.

14 THE COURT: The pictures that you had -- excuse me.
15 The pictures that you cropped, I take it they were clearer
16 than the ones that are in the record here; is that correct?

17 THE WITNESS: Yeah. If you were to see the original,
18 it would be clearer, yes.

19 THE COURT: These are, you couldn't tell anybody, I
20 don't think, if you look at --

21 THE WITNESS: Yeah, no. If you see it early on the
22 phone screen, it was clear enough to see who the --

23 THE COURT: Okay. But this is just a -- this was
24 a -- this is not the condition that the picture was that they
25 got?

1 THE WITNESS: No. The only thing that's the same is
2 that it's cropped in the same exact way that I cropped it.

3 THE COURT: Yeah. You can't -- I mean, this one guy
4 is fairly clear but these two --

5 THE WITNESS: So I -- yes.

6 THE COURT: Okay. So the ones they were working with
7 were much clearer than those?

8 THE WITNESS: Than what appears in the book, yes.

9 THE COURT: Yes. Thank you.

10 BY MR. LOPEZ:

11 Q. So between -- between September and October, did anybody
12 ever attempt to talk to Ivan about what the DEA was
13 discovering?

14 A. No, because at this point, he was under investigation, and
15 we were trying to figure out -- because there were still
16 conversations occurring with Ayalla and Gamez, so we're trying
17 to figure out, is there a way that it's going to become
18 evident that it's Ivan or whoever.

19 And so we were waiting and trying to figure out what
20 to do and see before because we didn't want to accuse him
21 prematurely if it wasn't him. So we were trying to figure out
22 exactly who it was. And that's why later on when they're
23 talking about Ivan on the text by name and as the boss and all
24 that, so then all of that came together later.

25 Q. That's when you brought him in?

1 A. After -- well, actually, by then, we had arrested Angel
2 Dominguez. And so the case was coming to a head with some --
3 the main guy getting arrested, Angel Dominguez. And so we
4 were satisfied with everything that had happened with the
5 later communications, and it took us a while to interpret
6 everything that was in there and the other intercepts that we
7 had.

8 So yes, that was when we decided that we can't wait
9 any longer, we have to move. We were satisfied that he,
10 possibly more people with him, but at least him, that he's
11 involved.

12 Q. So Dominguez was arrested. Was he extradited to the
13 United States?

14 A. Not yet.

15 Q. He's in the extradition process?

16 A. Yes.

17 Q. In Mexico, it takes at least a year or two before you get
18 extradited, is that right, if you don't have --

19 A. Yes, typically.

20 Q. And is Dominguez's case out of the Northern District or a
21 different district?

22 A. It's actually out of San Diego.

23 Q. And once he clears whatever he's doing in Mexico, then he
24 will go face prosecution in San Diego?

25 A. Yes.

1 Q. How many people were indicted in his case?

2 A. In Dominguez's case?

3 Q. Dominguez.

4 A. I don't know the total number, but I think several.

5 Q. Was Gamez named in that?

6 A. Gamez is indicted in the Chicago case, indicted in the
7 Chicago case.

8 Q. A different case?

9 A. And so, yeah, we're -- as we try to, started to figure out
10 it was the same group, we work closely with San Diego;
11 Chicago, San Diego, and Mexico.

12 Q. Okay. So these individuals were supplying Chicago and San
13 Diego, right?

14 A. That's where the -- that's where the cases were based out
15 of in the investigations.

16 MR. LOPEZ: One second, Judge.

17 (Pause.)

18 BY MR. LOPEZ:

19 Q. So at the time that this photograph was passed, who was
20 Ivan's supervisor, do you know?

21 A. The one underneath him?

22 Q. It was above him?

23 A. Oh, the one above him. Well, there's -- I mean, several
24 police officers above him in the hierarchy but not necessarily
25 over the SIU as the commander.

1 Q. He was the commander of SIU?

2 A. He was the commander so --

3 Q. He was the boss?

4 A. He was the boss.

5 Q. And he had -- how many people did he have underneath him?

6 A. Well, it ranged from, like, 30 to 70, up to 100 on paper
7 but really at any given time, it's somewhere between 30 and 70.

8 Q. Okay. Actively working?

9 A. Around the country of Mexico, yes.

10 Q. Okay. So as the boss of SIU then, he would have access to
11 all of the SIU files; is that right?

12 A. In theory. Maybe in time, he could get access to them,
13 but just like in the U.S., I mean, just because there's access
14 to something in Chicago, you may or may not know that it
15 exists, you know. So --

16 Q. No, I --

17 A. But in theory --

18 Q. I understand that, but my point is, as commander of SIU,
19 he would have custody or control of all of the information
20 that his investigators have put together at any given time; is
21 that right?

22 A. Yes. Eventually, yes, if he wanted to, he could probably
23 have access to any of it.

24 MR. LOPEZ: Okay. I have nothing further, Judge.

25 THE COURT: Anything further?

1 MR. SU: Yes, your Honor.

2 THE COURT: Very briefly.

3 REDIRECT EXAMINATION

4 BY MR. SU:

5 Q. During the investigation of the leak, the DEA wasn't
6 allowed to just go and slap a tracker on Ivan's car; is that
7 right?

8 A. No, we can't do that unilaterally. And that's what made
9 this whole thing so complicated, was that the people that we
10 would normally ask to do something like that were the people
11 that -- the boss of that group.

12 Q. You were asked some questions about operations that Ivan
13 participated in including presumably Barbie and Macho Prieto.

14 A. Yes.

15 Q. Do you remember those questions?

16 A. Yes.

17 Q. At the time Barbie was arrested, was he considered to be a
18 friend or an enemy of the Beltran Leyva organization?

19 A. He was an enemy and one of the threats to take over the
20 cartel, and so he was one of their main concerns to get rid of
21 him.

22 Q. And at the time Macho Prieto was killed, was he considered
23 to be a friend or an enemy of the Beltran Leyva organization?

24 A. He was an enemy, a very, very powerful person with
25 assassins working for him fighting against the Beltrans.

1 Q. And with respect to the photographs that are discussed in
2 Government -- or reproduced in Government Exhibits 2 and 3,
3 you know, regardless of whether these -- where these
4 photographs were taken, are these two photographs cropped in
5 exactly the same way that you personally cropped the
6 photographs?

7 A. Yes. They're cropped in exactly the same way: Keeping
8 out the informant.

9 Q. And did you send this cropped photograph to anybody other
10 than Ivan Reyes?

11 A. No.

12 MR. SU: Nothing further.

13 THE COURT: All right. You can step down. Any
14 further --

15 MR. LOPEZ: I just have one question, Judge.

16 RECROSS-EXAMINATION

17 BY MR. LOPEZ:

18 Q. Do you know if Ivan shared that photograph with any of the
19 other members of the SIU on the day that you asked him to do
20 the surveillance? Do you know if he sent them to other agents
21 out there so they could see who these people were?

22 A. I don't know.

23 THE COURT: All right. You can step down.

24 (Witness excused.)

25 THE COURT: No further witnesses; is that right? Now

1 we go into the sentencing now?

2 MS. SAWYER: Yes, your Honor.

3 THE COURT: All right. The first order of business
4 is to determine the guidelines. And the base offense level
5 for violation of 18 USC Section 371 is USSG Section 2X1.1, and
6 that calls for a base offense level of 14.

7 Is there any objection to that?

8 MR. LOPEZ: No, Judge.

9 THE COURT: All right. Now, the specific offense
10 characteristic, result of substantial interference with the
11 administration of justice because the government was forced to
12 relocate CS1 for his or her safety. It was substantial
13 government resources to relocate CS1 and eliminated CS1's
14 ability to provide proactive cooperation against the Dominguez
15 DTO.

16 There was an objection to that. Do you want to argue
17 that some more?

18 MR. LOPEZ: Judge, I think I pretty much laid it out.
19 There was also -- there was a provisional warrant already in
20 effect for Mr. Dominguez according to the agent's testimony at
21 the time this occurred, so I don't see how it could affect it
22 that much.

23 I understand there was a safety issue, but they
24 certainly had their case built against these individuals and a
25 provisional warrant at least for one of them coming out. And

1 I would ask that it not be applied.

2 THE COURT: Counsel?

3 MS. SAWYER: Yes, your Honor. Section 2J1.2(b)(2),
4 and specifically with reference to application note 4 makes
5 clear that it includes -- that it applies in cases involving,
6 A, a premature or improper termination of a felony
7 investigation, which certainly happened here. As Agent
8 Sandberg testified, we were no longer able to actively pursue
9 our investigation -- forgetting about Dominguez -- against
10 Gamez, against any of his coconspirators.

11 And then you have the unnecessary expenditure of
12 substantial government resources. And any way you look at it,
13 whether it's the underlying narcotics investigation or then
14 what arose was the obstruction investigation, and under either
15 scenario, we expended hours and months of work with
16 prosecutors and agents traveling back and forth to Mexico to
17 interview Mr. Reyes, to pursue leads, to obtain additional
18 evidence.

19 And so I think under any of those scenarios, the
20 Court has evidence upon which it can find substantial
21 interference.

22 THE COURT: I agree. Whether or not the defendant is
23 Ayalla, nevertheless, his actions, admitted actions in this
24 case caused certainly disruption in the operation of the
25 investigations into Gamez and many other investigations as

1 testified to by the previous witness. So the Court will
2 enhance by the three levels by USSG Section 2J1.2(b)(2).

3 Adjustment for role in the offense, it's my
4 understanding there's no objection to that.

5 MR. LOPEZ: No, Judge.

6 THE COURT: All right. So that's 19. And what about
7 acceptance of responsibility? Does the government -- does the
8 government agree to acceptance of responsibility?

9 MS. SAWYER: No, your Honor. We reserved our
10 position on that and today argue that the defendant should not
11 be afforded credit for acceptance of responsibility.

12 We've laid out, and as the PSR acknowledges, the
13 defendant pled under a nolo contest -- a no contest plea in
14 order to accept responsibility for a very narrow set of
15 circumstances which the government believes at this point has
16 proven is not the complete scope of the charged conduct or the
17 complete history of defendant's conduct.

18 We've provided some authority in our pleading.
19 That's *U.S. v. Miller* at Page 803. There's -- the sentencing
20 guidelines provide for the departure. The burden is on the
21 defendant to demonstrate that he's accepted responsibility for
22 his conduct, and he must -- in order to do so, he has to
23 truthfully admit the conduct comprising the offense of
24 conviction and any relevant conduct as it relates to the
25 offense of conviction.

1 The Court, the sentencing court today has discretion
2 to decide whether or not the defendant has in all other
3 respects, and the quote is, forthrightly avowed responsibility
4 for his crime.

5 I don't know that there's Seventh Circuit authority
6 on -- and the case that we cited in our sentencing brief, the
7 defendant entered a no contest plea, and the court found that
8 above and beyond simply the nature of the plea itself, there
9 were facts surrounding that conduct that the defendant
10 continued to deny responsibility for.

11 In this case, that is what we have. I think this
12 Court can find, obviously, there was a no contest plea, but
13 there is conduct that the defendant continues to deny; that
14 is, any knowledge or any involvement in the transmission of
15 the information from the Ayalla pin to Gamez. In his
16 sentencing memo, he has essentially denied any involvement
17 with Dominguez beyond the scope of the very -- the one meeting
18 that took place on October 21st.

19 And the government's position with respect to all of
20 that is that the defendant's position here fails to comport
21 with the letter and the spirit of the acceptance provision,
22 that this Court would be well within its province to deny
23 credit for acceptance of responsibility.

24 THE COURT: Mr. Lopez?

25 MR. LOPEZ: Judge, the letter and the spirit of the

1 acceptance of responsibility is to avoid trial, and that's
2 what we did. We avoided trial. That's acceptance of
3 responsibility by avoiding trial. And for purposes of this
4 proceeding, we believe that that adjustment should apply
5 because we did avoid trial. We did make certain admissions.
6 We didn't obstruct justice.

7 Mr. Reyes had his own personal reasons as to why he
8 wanted to do a nolo contendere. He has to return to his
9 country, and it would create problems. But accordingly,
10 Judge, he has demonstrated acceptance of responsibility. He
11 pled guilty, and he hasn't affected any administration of
12 justice.

13 The government decided they were going to call the
14 witnesses. We didn't ask them. He does admit with meeting up
15 with Dominguez at that particular time and talking to him
16 about -- Mr. Dominguez about things that were occurring. And
17 we ask the Court to apply this acceptance of responsibility
18 adjustment under 3E1.1(a).

19 THE COURT: The nolo contendere is exactly what it
20 says. You're not contesting but you're not admitting, right?

21 MR. LOPEZ: Correct. You're not contesting it.

22 THE COURT: But you're not admitting it.

23 MR. LOPEZ: No, you're not admitting. You're
24 admitting that the government can convict you, basically.
25 That's what acceptance of responsibility is.

1 THE COURT: What's the difference between that and an
2 Alford plea, anything?

3 MR. LOPEZ: I don't think there is a difference. I
4 think it's the same thing.

5 THE COURT: You don't have a right to do an Alford
6 plea unless the government agrees, is my memory.

7 Does the government have any right to reject the
8 nolo contendere?

9 MS. SAWYER: No, your Honor, we do not have to agree
10 to that. That's something that the defendant can offer and
11 the Court can accept in its discretion.

12 THE COURT: What exactly in the indictment -- what
13 were there? Were there two counts?

14 MR. LOPEZ: Yes.

15 THE COURT: What exactly would you say in the
16 indictment that he has not -- assuming he has said that they
17 can prove it, I'm not going to admit it but they can prove it,
18 is there anything that -- in the indictment that he's
19 rejecting?

20 MS. SAWYER: Your Honor, I don't have it in front of
21 me right now, but if memory serves, I do believe that there
22 were allegations in the indictment, and they go to how the
23 government intended to prove identity. And that was through
24 the links to Beltran Leyva organization.

25 So I do think that there were allegations on the face

1 of the indictment that the defendant is not --

2 THE COURT: I'm sure that I had an extensive colloquy
3 with him at the time he entered the plea. Was that ever
4 written up, do you know?

5 MS. SAWYER: I don't have a transcript of it, your
6 Honor.

7 THE COURT: I'm trying to remember what -- I mean, I
8 would assume I asked him.

9 MS. SAWYER: Your Honor, Judge St. Eve took it in
10 your absence.

11 MR. LOPEZ: Judge St. Eve --

12 THE COURT: Pardon?

13 MS. SAWYER: Judge St. Eve took the plea in your
14 absence.

15 THE COURT: Oh, okay. I was wondering. I thought
16 I'd -- I'm getting old, but I know I'm not that old. Do you
17 recall what was said or what she asked him?

18 MS. SAWYER: Your Honor, my recollection -- and I
19 apologize for not having a transcript here. But my
20 recollection is that it was a limited admission on the basis
21 that he met with Dominguez and that there were conversations
22 that were had regarding -- well, and I can't even recall how
23 specific it got, but it was limited to the interaction with
24 Dominguez at the beginning of November or end of October.

25 THE COURT: All right. Well, it's a close question.

1 And we're supposed to err on the safe side, so I'll give him
2 credit for acceptance of responsibility based upon the fact
3 that he did not contest in any way, shape, or form the two
4 counts of the indictment, which then gives us a total offense
5 level of 16 and a criminal history category I, which is what
6 the probation officer suggested. So the Court adopts the
7 presentence investigative report without change.

8 No count carries a mandatory minimum. The offense
9 level is 16, criminal history category I. Guideline range is
10 21 to 27. Supervised release, I believe it was one to three
11 years. And the fine range is 10,000 to 95,000.

12 The government, I know you've made extensive
13 recommendation of 120 months. Do you want to speak to that?

14 MS. SAWYER: Yes. Thank you, your Honor. So
15 understanding, obviously, your Honor, that that is a
16 significant request given, in particular, the guidelines,
17 Section 5K2.0 governs upward departures and provides that the
18 sentencing court can depart from the applicable guideline
19 range if in the case of offenses, when there exists an
20 aggravating circumstance of a kind or to a degree not
21 adequately taken into consideration by the sentencing
22 commission.

23 The application note essentially instructs that if
24 the offense guideline in Chapter 2 or Chapter 3 -- none of
25 which applied here because those were other enhancements --

1 does not adequately take that circumstance into consideration
2 in setting the offense level for the offense; and only to the
3 extent not adequately taken into consideration, a departure
4 based on that circumstance might be warranted.

5 Section 5K2 goes on to list a number of bases for
6 that departure. And specifically, 5K2.21 states that the
7 Court can upward depart to reflect the actual seriousness of
8 the offense based on conduct, one, underlying a potential
9 charge not pursued in the case as part of a plea agreement or
10 for any other reason and, two, that did not enter into the
11 determination of the applicable guideline range.

12 And it's our position, your Honor, that there's ample
13 evidence in this case of aggravating circumstances of a kind
14 and to a degree that has been completely unaccounted for by
15 the guidelines in this case, and so as such, we ask that this
16 Court consider that under 5K and also under 3553 as a factor
17 going to the defendant's history and characteristics in
18 requesting an above-guideline sentence.

19 So under the unique circumstances of this case, it's
20 our position that the guidelines don't take into account that
21 history and that the 3553(a) factors, most notably, obviously,
22 the seriousness of this offense, the history and
23 characteristics of this defendant, displays as evidence
24 through the testimony today, the objective of general
25 deterrence, and to avoid unwarranted sentencing disparities

1 all support a sentence significantly in excess of the
2 guideline range here.

3 Addressing first the seriousness of the offense
4 conduct, and I guess you can parse this in two ways between
5 the offense conduct and then the additional conduct that the
6 Court has heard about, and that will lend itself to history
7 and characteristics of the defendant.

8 This case, your Honor, obviously, I think it almost
9 goes without saying, but it involves corruption at the highest
10 level of law enforcement by the most senior echelons, first of
11 the Beltran Leyva organization and later by a vestige of that
12 organization led by Angel Dominguez and Gamez. Within the
13 universe of these kinds of investigations, there may well be
14 no more serious offense that a law enforcement officer could
15 commit.

16 Starting first with the conduct that the defendant
17 has admitted by way of his plea, simply meeting with Angel
18 Dominguez is an extremely serious and troubling offense: The
19 highest ranking member of the SIU entrusted, as Agent Sandberg
20 testified, with the safety, with information, with lives of
21 both agents and cooperators, meeting with the head of a cartel
22 who is looking to assume responsibility for significant
23 portions of Mexico's drug trafficking.

24 And in doing so, he wasn't worried about his safety
25 because he didn't tell anyone. He wasn't interested in

1 arresting him which notably, there was a provisional arrest
2 warrant already in place for Angel Dominguez at the time that
3 Mr. Reyes met with him. I mean, that's akin to a DEA agent in
4 the United States meeting with Chapo in Chicago and not
5 putting the cuffs on him. It's unimaginable until you put
6 that conduct into the context that this Court now has.

7 And more than that, those text messages on October
8 31st indicate that not only is he meeting with Angel
9 Dominguez, he's taking a cell phone and \$290,000 in cash for
10 him so that he can communicate with Angel Dominguez going
11 forward.

12 This conduct alone constitutes an egregious betrayal
13 of trust at the highest level of law enforcement, and then you
14 add to that the evidence that Mr. Reyes either was Ayalla or
15 conspired and participated with the person using the screen
16 name Ayalla to provide information to Geronimo Gamez. And
17 there is a mountain of circumstantial evidence that that is,
18 in fact, the case.

19 There's the preexisting relationship that you've
20 heard about between on the one hand Mr. Reyes and the Beltran
21 organization and on the other hand, Geronimo Gamez and the
22 Beltran organization. Both of these people, Geronimo Gamez
23 and the defendant, are providing the exact same service in
24 this case that they both were ten years ago to the Beltran
25 Leyvas.

1 Geronimo Gamez is the link between Dominguez and the
2 Colombian cocaine suppliers. The defendant is the link
3 between the cartel and the police and the intelligence that
4 helps the cartel do what it does.

5 The other link between those two is El Judio, is
6 Ismael Coronel Sicairos. He played the same role for the
7 Beltran Leyvas that he is for the Dominguez organization and
8 for Mr. Reyes. Second, the circumstantial evidence,
9 obviously, that Mr. Reyes is connected to the Ayalla leak is
10 also overwhelming.

11 And keeping in mind, obviously, it's a preponderance
12 standard at this stage, the defendant somehow wants you to
13 believe that it's a huge coincidence that he did this for the
14 Beltran Leyvas and now Geronimo Gamez, the same person, is
15 getting information that the defendant received barely 24
16 hours earlier in the form of a photograph, in the form of very
17 specific information about the meeting that Agent Sandberg
18 transferred to the defendant.

19 Mr. Reyes admitted he was the sole point of contact
20 for that information. The photo was taken in April of 2016.
21 So if someone else were interested in leaking it, it's very
22 interesting that it doesn't actually get leaked until about
23 four months later, 24 hours after the defendant got it.

24 Similarly, in the days following the leak, the
25 defendant just happens to start fishing for information from

1 Agent Sandberg, comes to a meeting with Agent Sandberg days
2 after that armed with additional information about Dominguez.
3 And the fact that he had never asked for this kind of
4 information before certainly fits with that pattern.

5 Mr. Lopez's argument that somehow the photos are
6 different, they're cropped exactly the same, but if you
7 actually look closely at the one that's in the government
8 exhibit embedded in the message to Ayalla, the top of it looks
9 like the top of an iPhone. It does actually look like it came
10 from a cell phone but, obviously, the Court can draw its own
11 conclusion about that.

12 And keeping in mind, this was a conspiracy charge.
13 So to the extent that it doesn't have to be him that hits
14 "send," I think all of the evidence and certainly by a
15 preponderant standard supports the conclusion that this
16 defendant participated in the provision of that information to
17 Gamez.

18 The identity of Mr. Reyes as a source to the
19 Dominguez operation is obviously then corroborated more. And
20 I'll note this, that Mr. Lopez was asking about the wire
21 intercepts. And just for this Court's information, all of
22 those October messages from Dominguez's phone were intercepted
23 on San Diego's wire.

24 So Chicago wasn't getting those messages in realtime
25 as they were coming in in October. Those came in later and

1 helped put the pieces of the puzzle together. And if you look
2 at those, starting on October 17th, the connection is The
3 Jewish, Ismael Sicairos, about a meeting with Ivan. Ivan is
4 the boss. I think there can be very little doubt that we're
5 talking about Ivan Reyes.

6 Then again on the 20th, they talk about Ivan, how
7 they can keep him, they can keep him on board, they've got
8 leverage over him because he worked for the Beltrans. Well,
9 lo and behold, there's evidence that this defendant worked for
10 the Beltrans. Again, we've got the link between El Judio,
11 Corone! Sicairos.

12 And then interestingly, in the same conversation on
13 October 26th that they discuss the fact that Ivan has more
14 information than what's with the Mexican prosecutors, they
15 talk about the source. And those two things happen in the
16 same context, that Ivan is coming with the white guys. And so
17 that's yet another piece that fits into the puzzle of the fact
18 that Ivan was involved in providing information about the
19 source to this -- to this group.

20 Then obviously, we have October 31st when Reyes
21 admits -- meets with Dominguez, admits meeting with Dominguez.
22 And the text messages that Dominguez sent just after that
23 meeting indicate that he provided Reyes with \$290,000 and a
24 cell phone.

25 So the notion that this is some kind of narrow

1 aberration that, "Oh, oops, I found myself in his car and I
2 just -- I don't know, I just couldn't help it," there was a
3 plan. There was a plan. It was a piece of the cartel's plan
4 to continue to provide information. He was taking money, and
5 he had a cell phone, a clean cell phone now to do that.

6 THE COURT: Can I ask you one question?

7 MS. SAWYER: Of course.

8 THE COURT: I'm looking for a copy of the indictment.
9 What were the three overt acts which were -- the defendant was
10 charged with engaging in in furtherance of the conspiracy?

11 MS. SAWYER: Your Honor, I would hate to speak
12 definitively without having it in front of me. I can pull it
13 up or we can bring it up on the docket. I just don't have it.
14 I'm sorry.

15 THE COURT: Mr. Su, do you know?

16 MR. SU: Judge, I also don't have a copy of it in
17 front of me. I can try to find one.

18 THE COURT: I don't know. I should have one here
19 somewhere, but I don't -- let me just -- do you have a copy of
20 the indictment, Mr. Lopez, or --

21 MS. SAWYER: Probation might have it, your Honor.

22 (Pause.)

23 MS. SAWYER: Your Honor, the "at times material"
24 paragraphs refer to the history that he was the head of the
25 SIU, provides a background into the information. The overt

1 acts in furtherance of the conspiracy and to accomplish the
2 objectives between on or about September 9th and on or about
3 September 14th, 2016, Reyes in his official SIU capacity
4 solicited information from U.S. law enforcement personnel
5 including Agent A regarding the U.S. investigation. Agent A
6 is Agent Sandberg.

7 Between on or about September 9th, 2016, and on or
8 about September 14th, 2016, Reyes transmitted and caused to be
9 transmitted to Gamez information regarding the U.S.
10 investigation including a surveillance photograph and
11 information relating to the identity of a confidential source.

12 And finally, on or about November 1st, 2016, Reyes
13 met in person with Angel Dominguez and discussed the U.S.
14 investigation of Dominguez, Rodriguez, and his coconspirators
15 within the Dominguez DTO.

16 THE COURT: Okay. Thank you.

17 MS. SAWYER: And I think, finally, with respect to
18 that meeting, the other significant piece of Agent Sandberg's
19 testimony that should be taken into consideration with respect
20 to any preexisting relationship at the time that that meeting
21 occurred is that in context, in real life, a Mexican police
22 officer who has no level of comfort or trust, it just makes no
23 sense that either Dominguez would meet with him for safety
24 reasons. And obviously, there's a provisional arrest warrant.
25 How is Angel Dominguez going to meet with a federal police

1 officer when he's a fugitive unless there is an understanding.

2 And then on Mr. Reyes' side, what police officer is
3 going to meet with a known head of a violent drug organization
4 without some level of comfort and safety that he wouldn't come
5 to harm? He didn't tell anyone he was meeting with him. And
6 you've heard that he knew who that was. He knew who Dominguez
7 was and he knew who he was meeting, and yet he tells no one.
8 He doesn't ask for surveillance. He doesn't ask for backup.
9 And his target was a big deal. It wasn't just anyone.

10 And then after the meeting, he doesn't call anyone.
11 He doesn't say, "Agent Sandberg, you'll never believe who I
12 got in this car with. You'll never believe. I can find him
13 now. He gave me a phone. We can track him."

14 Nothing. Nothing. And that doesn't happen without
15 trust, and it doesn't happen without a background. And that
16 doesn't exist on one day, on one meeting. And so I think that
17 the totality of this evidence, certainly by a preponderance of
18 the evidence standard, provides this Court with the evidence
19 it needs to make a finding and to consider in context the
20 extreme seriousness of the offense defendant committed.

21 Agent Sandberg's testimony was moving in many
22 respects, and so he said it better than I ever could have.
23 The ripple effects of the conduct were felt for months. The
24 safety issues, the relationships, it affected not only this
25 case but general business that Mexico -- that the DEA conducts

1 in Mexico with the SIU on countless cases; and not the least
2 of which, Agent Sandberg testified compellingly about his own
3 feelings about his personal safety and the safety of the
4 agents who put their lives at risk on a daily basis.

5 And people, people die as a result of these kinds of
6 things. And this kind of corruption strikes at the core of
7 the DEA's mission and puts in jeopardy the trust with foreign
8 law enforcement partners, the mission of the DEA, and puts in
9 grave danger the lives of U.S. and Mexican law enforcement,
10 not to mention cooperators. And the Court has heard extensive
11 testimony about the effects on the cooperator in this case.

12 And so I think with respect to the seriousness of
13 this offense, the sentence should reflect the severity. And I
14 do not believe that the guidelines effectively do that.

15 With respect to the history and characteristics of
16 the defendant, most significant to this Court's consideration
17 of that issue is his longstanding history of corruption to the
18 Beltran Leyva organization.

19 The Court heard evidence of those historical
20 connections in sort of four forms: First, the testimony of
21 Mr. Villarreal; second, the defendant's own admissions that
22 corroborate that testimony; the wire evidence that
23 corroborates that; and then Agent Sandberg's testimony.

24 And this is -- it's a complicated matter, and it's a
25 little hard to put it all together, but when taken as a whole

1 and as a complete picture, each piece of evidence corroborates
2 in some way the other pieces and proves certainly by a
3 preponderance of the evidence that the conduct that the
4 defendant pled guilty to was not an isolated incident or an
5 aberration but part of an ongoing, decades-long history of
6 corruption to one of the most notorious and violent cartels in
7 Mexican history.

8 Now, obviously -- and Mr. Lopez will get to this, I
9 have no doubt, and he's already raised it -- Mr. Villarreal
10 was a cooperator. And along with that comes a certain amount
11 of baggage. And so this Court should -- the government
12 understands, this Court should and will evaluate that
13 testimony as you would any cooperator's.

14 And so while this Court can obviously accord his
15 testimony any weight it sees fit, the government believes that
16 that testimony was important because without it, you're
17 missing an enormously significant part of this defendant's
18 history and this defendant's characteristics. And there are,
19 in our view, multiple hallmarks of veracity in
20 Mr. Villarreal's testimony that should lead this Court to
21 credit it.

22 Given the time left on his sentence, frankly, he
23 stands to gain probably nothing from his testimony here today.
24 He had no idea whether the testimony is going to affect his
25 sentence. His explanation for not naming La Reina, the code

1 name, in the interviews relating to the Colombian informant
2 makes total sense in context when you realize that the people
3 he was being asked about far outranked Mr. Reyes in those
4 meetings, that he was actually never even asked specifically
5 about Mr. Reyes. He was being asked about those other more
6 prominent individuals, and so he -- he didn't think to even
7 include him.

8 But I would also submit that even if you put aside
9 the meeting with the Colombian informant, there is so much
10 evidence of his other corruption and involvement in the
11 Beltran Leyva organization to justify the sentence the
12 government has asked for.

13 He accepted a payment along with another officer for
14 a strike on the Familia Michoacana. He accepted money for
15 arresting Edgar Valdez, Barbie. Additionally, Agent Sandberg
16 told you that when we first went to talk to Mr. Villarreal in
17 2017, he saw a photo and said, "That's La Reina."

18 He was never told -- we never told him we're
19 interested in corruption. We never told him we think La Reina
20 provided information to a cartel. We never told him any of
21 that, yet somehow the information he provided was 100 percent
22 consistent with the defendant's role in this case. We didn't
23 talk to him about the name Judio. We didn't talk to him about
24 Geronimo Gamez. Those were all things that Mr. Villarreal
25 provided because he knew them because they happened.

1 He talked specifically about the fact that Reina had
2 mentioned training in Virginia in Quantico unprompted. He
3 gave the version notably -- and I need to bring these two
4 pieces together. He talked about how the assignment from the
5 Beltrans was to kill Barbie and how Reyes, when he was paid
6 and asked about that, his explanation was, "I shot at him but
7 he didn't fight back, so I couldn't kill him."

8 Well, agents have heard from their sources in Mexico,
9 and Agent Sandberg testified completely independently of
10 Mr. Villarreal, that that is, in fact, the story that resulted
11 from that arrest that Mr. Reyes shot at Barbie. He didn't
12 fight back. And other support arrived, and so he was placed
13 under arrest. These are all reasons to believe that
14 Mr. Villarreal's testimony is credible.

15 The idea that -- and I'm sure this will come up in
16 Mr. Lopez's argument, also, but the idea that somehow because
17 Mr. Villarreal was present for violence or worked for an
18 individual who is known for his brutality, no one disputed
19 that. And, in fact, it makes Mr. Reyes' conduct all that much
20 more reprehensible because there's no dispute, this is a
21 horrible, violent, awful world that these people operate in,
22 and Mr. Villarreal didn't run from that. He didn't hide from
23 that. It just puts into more sharp, stark, and shocking
24 context the nature of the organization that this defendant
25 decided to align himself with.

1 Also notably, he admitted himself meeting with
2 Beltran Leyva and meeting with Mario Pineda and meeting with
3 Alberto Pineda, El Borrado. And I'll come back to the
4 significance of that in a moment. But Mr. Villarreal's
5 testimony is also then corroborated by some of Mr. Reyes' own
6 admissions. His nickname, La Reina. Mr. Villarreal knew that
7 and provided that nickname to investigators as far back as
8 2013. He never knew Mr. Reyes by his first name or by his
9 last name. He knew La Reina, and that's the information he
10 provided.

11 Sure enough, defendant admits that's -- that on the
12 street, he is known as La Reina. He admitted that he took
13 those meetings. Notably, in the initial meeting with us, he
14 denied or could not explain why anyone would suggest that he
15 had met with Arturo Beltran Leyva and then sure enough, later
16 in a meeting with Agent Garcia, he says, "Yes. Okay. I met
17 with Arturo Beltran Leyva, and I met with Borrado, and I met
18 with MP."

19 That is a hugely significant admission. And I don't
20 know if the defendant thought about that when he was making
21 it, but the significant -- the significance of the admission
22 that he simply met with Arturo Beltran Leyva, your Honor,
23 cannot possibly be understated for the reasons that both
24 Mr. Villarreal and Agent Sandberg testified to. To a
25 layperson, maybe it wouldn't mean much, but this is the

1 defendant meeting with Mexico's quite literally public enemy
2 number one at the time. He was wanted by everyone. He was
3 wanted by Mexico. He was wanted by the DEA. And any police
4 officer doing his job would now have information about where
5 this person could be found, how he could be arrested, how the
6 police could locate him. And what did this defendant do?

7 Nothing. Nothing.

8 And moreover, and potentially more critically,
9 there's no way Arturo Beltran Leyva -- Mr. Villarreal said
10 this, Agent Sandberg said this. He's not meeting with some
11 police officer just because. The police want to arrest him,
12 and every cartel in Mexico wants to murder him. So he's not
13 going to sit down with someone unless there is an incredible
14 degree of trust. Same with Borrado. Same with MP, Mario
15 Pineda. The only reason you would do that is because you know
16 this officer can be trusted, and the reason you know this
17 officer can be trusted is because he's on the payroll.

18 I've already alluded to this piece of it, but
19 Mr. Villarreal's testimony is also corroborated by the wire
20 intercepts here. He never saw those wire intercepts, yet he
21 told us that Mr. Reyes' connection with the Beltran Leyva
22 organization, first with Borrado. After he was killed, it was
23 El Judio, Ismael Coronel Sicairos.

24 The defendant's admissions about his meetings with
25 Dominguez match up with those wire intercepts. I've already

1 alluded to the fact that Mr. Villarreal's testimony about the
2 circumstances of the Barbie arrest are corroborated by agent
3 testimony by way of Agent Sandberg.

4 So your Honor, when taken altogether, the evidence
5 overlaps in significant ways, and each corroborates another.
6 And when you look at it that way, it -- it's essentially a
7 tapestry, your Honor, that makes clear that not only did the
8 defendant obstruct this investigation but that he's been
9 involved in similar conduct for years. And the remarkable
10 history and characteristics under those circumstances -- a
11 decade of corruption, of deceit, of betrayal of his country
12 and of this one -- certainly warrant a sentence above the
13 guidelines.

14 With respect to deterrence, your Honor, general
15 deterrence, I think, in a lot of drug cases doesn't go all
16 that far, but in this case, I think it's incredibly compelling
17 because in this case, this Court has a rare and important
18 opportunity to communicate to our law enforcement partners
19 that corruption will not be countenanced in the United States
20 investigation or by a United States court.

21 I don't think that message arrives in many cases to
22 ordinary narcotics traffickers on a corner in Chicago, but in
23 this case, general deterrence is directed at a very narrow,
24 very specific population and is incredibly important in light
25 of defense counsel's arguments about the fact that this is

1 business as usual.

2 A significant sentence would send a strong message to
3 others in law enforcement that when corruption affects the
4 United States investigation and places at risk the lives of
5 U.S. agents and cooperators that that corruption will be met
6 with the most serious of consequences in this country.

7 This -- Agent Sandberg's testimony, and again, he
8 said it far better than I ever could, it just really makes
9 clear that this kind of conduct places at risk the lives of
10 civilians and law enforcement, and it also just erodes any
11 sense of public trust and perpetuates this "corruption as
12 business as usual" narrative that Mr. Lopez urges on this
13 court.

14 In order to combat the international narcotics
15 trafficking that's resulted in an untold loss of life on both
16 sides of the border, the United States needs responsible law
17 enforcement partners who take seriously their obligation to
18 that mission.

19 The government asks that this Court's sentence
20 reflect the obligation of the United States government to
21 speak with one voice in sending an unequivocal message that
22 this is not business as usual, not in Mexico and not in the
23 United States.

24 And finally, with respect to sentencing disparities,
25 I've referenced in our filings a case that was before Judge

1 Zagel in which a Chicago Police Department officer was
2 sentenced to a prison term of five years. In that case, it
3 was one police officer on one occasion who passed information
4 about one search warrant to the friend of a target. The
5 amount of heroin implicated in that case was less than
6 one-half of one kilogram as opposed to the ongoing shipment of
7 tens of thousands of kilograms of cocaine here, to say nothing
8 of the risk to the lives of cooperators and agents.

9 And in that case, the guidelines were higher because
10 there was a way to concretely tether that offense to a drug
11 amount, and so they applied the "accessory after the fact"
12 guideline, 2X3.1. That wasn't the case here, but I provide
13 that case just for a context for this court that if one police
14 officer is going to get five years for providing information
15 on one search warrant, then certainly a similar -- a similarly
16 significant sentence is more than warranted in this case.

17 And very briefly, because I don't know whether or not
18 the Court will want to hear from me again, I just want to
19 address a few things that Mr. Lopez raised in his filing. A
20 lot of it was alluded to in the context of his
21 cross-examination of Mr. Villarreal, but he specifically says
22 in his memo, "The DEA has known for years that the SIU has a
23 record of leaking investigation." He cites some articles.

24 And he says, "The point is that in Mexico,
25 investigations led by SIU often involve meeting targets of the

1 investigation as one cartel snitches on another. The DEA
2 knows this and has accepted this practice in the past which is
3 the cost of running joint operations and many times involves
4 the payments to SIU officers for the opposite of what -- which
5 is the opposite of what occurs Stateside."

6 There have been frustrating and tragic leaks in the
7 past and they have had tragic consequences, but how on earth
8 Mr. Lopez can say that because there have been examples of
9 corruption in the past that somehow Mr. Reyes is less culpable
10 in this case?

11 If we accept that argument, your Honor, we're doomed
12 to continue to suffer the same failures. It actually means
13 the opposite. It means that on days like today, we should be
14 resolute in sending the message that this is not how the SIU
15 will operate, that SIU members who engage in this kind of
16 conduct will be prosecuted.

17 And none of those arguments attempt to distinguish
18 between rumors and actual proof. The reality of the matter
19 is, we can't always prove corruption. We can't always prove
20 rumors to the point where they're actionable.

21 Essentially, what Mr. Lopez wants this Court to
22 accept is that this defendant is less culpable because this is
23 how things happen in Mexico and this defendant didn't believe
24 he was doing anything wrong because "that's what we do." Your
25 Honor, it's flat-out wrong, and it's a complete abdication of

1 responsibility conduct in this case and his oath as a police
2 officer.

3 It diminishes and it belittles the Mexican citizenry
4 as if they're not entitled to expect more of their law
5 enforcement officers and leaders, and it's the kind of
6 corrosive narrative that defense counsel urges on this court
7 that further undermines the partnership that Agent Sandberg
8 testified so movingly about.

9 The notion that defendant did good work, and that was
10 also addressed at length in the defendant's sentencing memo,
11 and we've attempted to put that into context for this Court
12 because it would be easy to read that in a vacuum and say,
13 well, that's true, he did. Well, why? Why did he do such
14 good work on Sinaloa cases? Well, because it helped the
15 Beltran Leyvas and because he was taking money for it. He was
16 taking money for the arrest of Barbie, Edgar Valdez.

17 THE COURT: Counsel, bring your remarks to a close.

18 MS. SAWYER: I will, your Honor. Thank you.

19 THE COURT: All right.

20 MS. SAWYER: In any event, at the end of the day,
21 what we have here, your Honor, is we're no longer talking in
22 rumors and whispers about speculation. At this point, we
23 stand before the Court following the discovery in an
24 investigation of a high-level law enforcement officer, of the
25 corruption of a high-level law enforcement officer to one of

1 the most violent, destructive drug cartels ever to plague
2 Mexico, and defense counsel has asked this Court to impose
3 what essentially amounts to a slap on the wrist for what --
4 doing what police in Mexico do.

5 That corrosive narrative, that request is insulting
6 to anyone who dedicates their lives in any country to the
7 pursuit of legitimate law enforcement goals. And this Court
8 today has a unique opportunity to reject that narrative, to
9 demand more of our law enforcement partners, and to send a
10 resounding message that corruption will not be tolerated on
11 either side of the border, and certainly not when it places at
12 risk American lives.

13 For all of those reasons and the reasons that you've
14 heard in the government's filing, the government requests a
15 sentence, an above-guideline sentence of approximately 120
16 months. Thank you.

17 THE COURT: Thank you.

18 Mr. Lopez?

19 MR. LOPEZ: One thing I can guarantee you today,
20 Judge, whatever your sentence is, is not going to stop the
21 corruption in Mexico. It's been going on for centuries, as we
22 know. And I cited that article in my sentencing memo because
23 there's -- that's just how it's done there. My client grew up
24 in a culture of corruption. This is how they do law
25 enforcement in Mexico. We heard that from the informant, that

1 groups turn on one another and turn each other in.

2 And when they do that and the DEA bags a guy like La
3 Barbie, they're hugging and kissing Ivan instead of kicking
4 him in the butt. That is the cost of doing business, and it's
5 not going to change no matter what we do here today. That's
6 just how it is. You can't change it. I can't change it.
7 Nobody can change it. And it's not going to change or would
8 change.

9 The guidelines have already taken into consideration
10 all the conduct that my client's been involved in. He
11 received three points for substantial interference, which is
12 what the government has just argued, and they want an
13 above-guideline sentence because he interfered with their
14 investigation. He already got three points for that, and he
15 already got the other set of points for his abuse of trust.

16 And there is no basis to give him an above-guideline
17 sentence. It would be unreasonable to exceed the applicable
18 guidelines in this case. The probation officer took a look at
19 this case. Probation recommended 21 months in light of
20 everything that the government has thrown in their memo, in
21 their attachments, and everything else.

22 What we're saying, Judge, is we know what happened.
23 We know that he knew Beltran Leyva, and he knew that Beltran
24 Leyva gave him information to go arrest other people, and
25 that's just what they were doing. We do know one thing. At

1 the time in 2008, he wasn't a member of SIU. And we do know
2 that he did arrest La Barbie for whatever reason. He did
3 arrest him.

4 We do know that Barragan, when he was asked about --
5 when he was asked about the murder of the informant, he told
6 the DEA what happened, and he mentioned the folks that were
7 involved in it. He mentioned who did it. He didn't say
8 anything about Ivan. That was his statement in 2015. And we
9 went through it line after line. I'm not going to keep
10 kicking a dead horse. You heard what he said.

11 He mentioned how they had Palacios was involved and
12 Borrado was involved. He didn't mention anything about any
13 corrupt police officers. And don't you think DEA would want
14 to know that at that time? Of course, they would, and I'm
15 sure they asked him about that. I don't know why he changed
16 his story or how he changed his story, but it really doesn't
17 matter because his first statement that he gave didn't mention
18 anything about my client being present, named all the actors,
19 named all the players and said exactly what happened.

20 But regardless, Judge, again, we're looking here at a
21 guideline sentence. There is no reason to exceed the
22 applicable guideline. We're not talking about a Chicago
23 police officer who's grown up in a different culture. It's
24 hard for us to assess how people live in other countries.

25 The DEA doesn't have any jurisdiction down there.

1 They're in there only by the grace of God that the government
2 even lets them in there. And I understand that. And I
3 understand their frustration. And I can understand how they
4 feel about having to work with these Mexican police officers
5 and not trusting you. That's just how it is. You go to any
6 other country, it's going to be the same thing. We're
7 outsiders.

8 But regardless, Judge, my client has done a lot of
9 good things. You read all the letters about him. You've seen
10 his history. You've seen his characteristics. He has already
11 suffered enough. Here's a person that voluntarily got on an
12 airplane knowing that he was not coming back. Now, that takes
13 a lot of courage. That's acceptance of responsibility plus
14 ten right there, getting on a plane. He could have easily hid
15 in Mexico.

16 It took forever to find Chapo. He could have
17 disappeared. He came, and he faced the music. And I think
18 that shows to the Court that he's not only accepted
19 responsibility but he feels sorry and he feels bad, and this
20 is his way to apologize for his conduct: By voluntarily
21 appearing here in this district knowing he was going to be
22 locked up and knowing that he had to face a federal
23 indictment, and that's what he did.

24 So I would like the Court to take that into
25 consideration because you don't see that too often. Most of

1 the time, if not every single time --

2 THE COURT: I gave him acceptance of responsibility,
3 remember?

4 MR. LOPEZ: I understand, but it's just a little
5 bit just so you can think of where his head is at. I mean,
6 we're not going to deter anybody in Mexico from doing anything
7 here in the United States. I don't think that that argument
8 of an upward departure is going to deter anything in Mexico.

9 And this Court's been around long enough. This
10 Court's been involved in law and politics for long enough to
11 understand that this is an unusual situation and doesn't
12 scream out for a ten-year sentence. It certainly doesn't.
13 That's 120 months for this conduct, is way above the
14 guidelines. He's already got five points for the conduct
15 above the obstruction. So you add the other five points in,
16 he's already -- it's already been taken into consideration.

17 So we'd ask the Court to take a look again at not
18 only what the government has stressed are the bad things but
19 also the good things and what other people have to say about
20 Ivan. Ivan is going to go back to Mexico at some point. He's
21 not going to be a police officer anymore. He's going to be
22 embarrassed. And he's going to have to live the rest of his
23 life knowing that he lost his job and knowing that the things
24 he did, he got punished for. And he's sure going to tell all
25 his friends in Mexico that, "I came to the United States.

1 They prosecuted me. Don't do anything wrong when you work
2 with DEA because if you get caught, you're going to be
3 prosecuted."

4 And that's the most important thing. It doesn't
5 matter how much time you give him. It's the fact that he's
6 being prosecuted in the United States. He can't reenter the
7 United States. He can't work as a police officer in Mexico.
8 These are things that the Court should take into
9 consideration.

10 We've raised a lot of points in our memo that we
11 don't need to keep raising to the Court. We'd ask the Court
12 to take a look at all of those letters that were presented on
13 Ivan's behalf so the Court can get a snapshot of the things
14 other than what the government has claimed. He voluntarily
15 met with these agents. He admitted his conduct.

16 Judge, we ask that you give him the 21 months as
17 recommended by Probation who made that recommendation after
18 reading all the parties' moving papers. And the government's
19 moving papers basically include the same things that they've
20 said here today, and they still make a recommendation at the
21 lower end of the guideline.

22 THE COURT: Mr. Azarte, do you wish to make a
23 statement in your own behalf before I impose sentence?

24 THE DEFENDANT (through the interpreter): I would
25 just like to speak a few words.

1 THE COURT: Yes. Proceed.

2 THE DEFENDANT: Your Honor, during 16 years, I worked
3 as a public official in Mexico. During that time, I made an
4 effort to do my work in the best way possible motivated by the
5 love and the commitment that I feel for my country. I think
6 it would be a useless exercise to try to show that it is a
7 lie, the version that the government themselves know to be so
8 and which is very -- which is very far removed from reality.
9 Their version is full of contradictions based on assumptions
10 and false statements whose only goal is to make me appear to
11 be a person that I am not.

12 As part of my -- as part of my development, I had the
13 opportunity to work with several American agencies such as
14 DEA, ICE, the marshals, among others. And I only want to
15 mention that in that regard, during the years that I worked
16 with those agencies, the goals that were entrusted to me were
17 always met or I always met them in a successful manner at a
18 level of 100 percent. There is not a single case where I did
19 not meet my obligations.

20 And this demonstrates the person who --

21 THE COURT: Let me interrupt right here. Is it your
22 position you did absolutely nothing wrong?

23 THE DEFENDANT: No, no.

24 THE COURT: What did you do wrong?

25 THE DEFENDANT: I did my job, part of my job. What I

1 did wrong perhaps was not telling the DEA agents about the
2 work that I was doing, but the relationship --

3 THE INTERPRETER: Re-rendering by the interpreter.

4 THE DEFENDANT: The working relationship with the DEA
5 is a relationship of cooperation and it is not the
6 relationship to a boss. And that's what I feel was wrong.

7 THE COURT: In other words, you were taking -- you
8 acknowledge that you shared -- you solicited information from
9 U.S. law enforcement personnel regarding U.S. investigations
10 and you transmitted that to the drug agents, the drug groups;
11 is that right?

12 THE DEFENDANT: I do acknowledge that, your Honor,
13 but not under the circumstances that have been stated. I do
14 acknowledge it --

15 THE INTERPRETER: By interpreter --

16 (Pause.)

17 THE COURT: All right.

18 THE INTERPRETER: The interpreter requested for a
19 repeat.

20 THE DEFENDANT: The circumstances have changed --

21 THE INTERPRETER: Re-rendered by interpreter.

22 THE DEFENDANT: The circumstances evolved. That's
23 all.

24 THE COURT: All right. Thank you. It is now my
25 obligation to impose a sentence that's reasonable under all

1 the facts and circumstances of the case. And I found this
2 last statement a little bit troubling by Mr. Reyes Azarte
3 because he seems to be backing away from the general -- at
4 least what he admitted to when he entered the nolo contendere
5 pleading in response to the indictment which specifically
6 charges him with soliciting information from the U.S. law
7 enforcement personnel regarding the U.S. investigations and
8 sharing that with the investigating -- investigated groups,
9 which is clearly a violation of the law, violation of U.S.
10 law, and I'm sure it's a violation of Mexican law.

11 Now, the defense basically is, and it sounded like
12 that was what Mr. Reyes Azarte was just alluding to, that he
13 was -- that he is a Mexican citizen, that he works for Mexican
14 law enforcement agencies, and this is the way they do it. We
15 might not like it, but this is the way we do it. Therefore,
16 there's really nothing wrong with it.

17 That's clearly not true. This undercutting
18 investigations in the way that have been described by
19 Mr. Sandberg clearly shows the trouble that is created by this
20 particular conduct. And there -- I'm sure that the amount of
21 information and so forth and alluded to that various
22 individuals were outed, and it led to perhaps the death of
23 one.

24 Now, whether you can put that in -- it's not part of
25 the indictment itself, so it's hard to say that he admitted to

1 that. However, there's clearly evidence that this has been
2 going on a long time. And basically, the defense is that it's
3 been going on forever and it will probably go on forever and,
4 therefore, that's the defense.

5 A culture of corruption is a culture of corruption,
6 and unfortunately, he's probably right. I mean, we have
7 problems here in this country, drug culture, and we can arrest
8 a lot of people for violating our drug laws. And whether that
9 deters anybody else is anybody's guess. It certainly
10 doesn't -- is not noticeable as far as deterrence is
11 concerned.

12 On the one side, we have Mr. Reyes Azarte who
13 apparently is thought of quite well by friends and relatives
14 based on the great number of letters that have been submitted.
15 He did give himself up. He didn't fight the charges. He came
16 to the United States voluntarily and submitted to the
17 jurisdiction of the Court so that he could be prosecuted.
18 This is a good point in his behalf. And about the only other
19 good point that I can think of is the fact that -- it's not
20 really a good point but maybe -- it might be worse if he was a
21 United States law enforcement official.

22 But the basic problem here is that he not only was a
23 law enforcement official, he was the top law enforcement
24 official in a particular sensitive job in Mexico. And his
25 work, contrary to what he was supposed to do, created many --

1 has created and will continue to create many problems in
2 apparently an unending war on drugs, which leads to massive
3 transfer of funds, people dying of drugs, people who get
4 involved in -- do undercover work and they're in danger and so
5 on and so forth.

6 So it's a real problem which I think, therefore, in
7 trying to fashion a sentence, I think the government is way
8 too high with 120 months, but I'm -- I think that the 21 to 27
9 months under all the circumstances of this particular case,
10 bearing in mind that the defendant was, in fact, the head of
11 the major criminal justice organization in Mexico, it puts him
12 way above what the normal person would be who is a -- would be
13 under this particular indictment.

14 So I'm going to sentence him to a term of 40 months'
15 custody. I am going to waive a fine because of inability to
16 pay. There is a \$200 special assessment. I will not impose
17 supervised release at the recommendation on the basis that he
18 will, in fact, be deported. So the 40 months will be on each
19 count concurrent to one another, to be served concurrently.

20 Now, Mr. Reyes Azarte, you're entitled to appeal the
21 sentence I have just imposed. Do you understand that, sir?

22 THE DEFENDANT: Yes.

23 THE COURT: In order to do so, you must file a
24 written notice of appeal within 14 days. Do you understand
25 that, sir?

1 THE DEFENDANT: Yes.

2 THE COURT: I will ask your lawyer, Mr. Lopez, to
3 discuss with you whether you wish to appeal and to file a
4 notice of appeal on your behalf.

5 Mr. Lopez, will you do that?

6 MR. LOPEZ: I have discussed it with him.

7 THE COURT: Pardon?

8 MR. LOPEZ: I have discussed the appeal with him.

9 THE COURT: All right. And will you file a notice
10 of -- if he wishes to appeal, will you file a notice of
11 appeal?

12 MR. LOPEZ: I will do that, Judge.

13 THE COURT: Okay. Thank you.

14 Is there anything further?

15 MS. SAWYER: No, your Honor.

16 MR. LOPEZ: Nothing further.

17 THE COURT: Okay. We'll stand adjourned.

18 (Proceedings adjourned at 3:07 p.m.)

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C E R T I F I C A T E

I, Judith A. Walsh, do hereby certify that the foregoing is a complete, true, and accurate transcript of the proceedings had in the above-entitled case before the Honorable HARRY D. LEINENWEBER, one of the judges of said court, at Chicago, Illinois, on November 8, 2018.

/s/ Judith A. Walsh, CSR, RDR, F/CRR September 10, 2019

Official Court Reporter

United States District Court

Northern District of Illinois

Eastern Division